

## **APPENDIX A**

### **SAMPLE COUNTY CONTRACT WITH COUNTY HEALTH AND HUMAN SERVICES (H&HS) DEPARTMENT SPECIFIC CONTRACT LANGUAGE INSERTED**

*The Inserted H&HS Department Specific Contract Language Either  
Replaces Or Is In Addition To the Language In The Sample County Contract*



**CONTRACT**  
**BY AND BETWEEN**  
**COUNTY OF LOS ANGELES**  
**AND**  
**(CONTRACTOR)**  
**FOR**  
**\_\_\_\_\_SERVICES**  
**(LANGUAGE FOR LIVING WAGE PROGRAM INCLUDED**  
**AND ANNOTATED)**

**SAMPLE CONTRACT PROVISIONS  
TABLE OF CONTENTS**

<b>PARAGRAPH</b>	<b>TITLE</b>	<b>PAGE</b>
RECITALS.....		1
1.0	APPLICABLE DOCUMENTS.....	2
2.0	DEFINITIONS .....	4
3.0	WORK .....	5
4.0	TERM OF CONTRACT .....	5
5.0	CONTRACT SUM .....	6
6.0	ADMINISTRATION OF CONTRACT- COUNTY.....	37
6.1	COUNTY'S PROJECT DIRECTOR.....	37
6.2	COUNTY'S PROJECT MANAGER.....	37
6.3	COUNTY'S CONTRACT PROJECT MONITOR.....	38
7.0	ADMINISTRATION OF CONTRACT - CONTRACTOR .....	38
7.1	CONTRACTOR'S PROJECT MANAGER.....	38
7.2	APPROVAL OF CONTRACTOR'S STAFF.....	39
7.3	CONTRACTOR STAFF IDENTIFICATION.....	40
7.4	BACKGROUND & SECURITY INVESTIGATIONS .....	41
7.5	CONFIDENTIALITY .....	43
8.0	TERMS AND CONDITIONS .....	45
8.1	ASSIGNMENT AND DELEGATION.....	45
8.2	AUTHORIZATION WARRANTY .....	47
8.3	BUDGET REDUCTIONS.....	48
8.4	CHANGE NOTICES AND AMENDMENTS.....	48
8.5	COMPLAINTS .....	51
8.6	COMPLIANCE WITH APPLICABLE LAW .....	52
8.7	COMPLIANCE WITH CIVIL RIGHTS LAWS .....	55
8.8	COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM .....	55
8.9	COMPLIANCE WITH THE COUNTY'S LIVING WAGE PROGRAM.....	57
8.10	CONFLICT OF INTEREST.....	62
8.11	CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/OR RE-EMPLOYMENT LIST.....	63
8.12	CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS.....	64
8.13	CONTRACTOR'S RESPONSIBILITY AND DEBARMENT.....	65
8.14	CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO CHILD SUPPORT ENFORCEMENT .....	66
8.15	CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW .....	66

**SAMPLE CONTRACT PROVISIONS  
TABLE OF CONTENTS**

<b>PARAGRAPH</b>	<b>TITLE</b>	<b>PAGE</b>
8.16	CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM .....	66
8.17	COUNTY'S QUALITY ASSURANCE PLAN.....	67
8.18	DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS.....	67
8.19	EMPLOYMENT ELIGIBILITY VERIFICATION.....	67
8.20	FACSIMILE REPRESENTATIONS .....	68
8.21	FAIR LABOR STANDARDS.....	68
8.22	GOVERNING LAW, JURISDICTION, AND VENUE .....	68
8.23	INDEPENDENT CONTRACTOR STATUS.....	69
8.24	INDEMNIFICATION .....	70
8.25	GENERAL INSURANCE REQUIREMENTS.....	70
8.26	INSURANCE COVERAGE REQUIREMENTS.....	72
8.27	LIQUIDATED DAMAGES.....	72
8.28	MOST FAVORED PUBLIC ENTITY.....	73
8.29	NONDISCRIMINATION AND AFFIRMATIVE ACTION .....	73
8.30	NON EXCLUSIVITY .....	75
8.31	NOTICE OF DELAYS.....	75
8.32	NOTICE OF DISPUTES.....	75
8.33	NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT .....	76
8.34	NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW .....	77
8.35	NOTICES .....	77
8.36	OWNERSHIP OF MATERIALS, SOFTWARE AND COPYRIGHT .....	78
8.37	PATENT, COPYRIGHT & TRADE SECRET INDEMNIFICATION .....	80
8.38	PROHIBITION AGAINST INDUCEMENT OR PERSUASION.....	81
8.39	PUBLIC RECORDS ACT .....	81
8.40	PUBLICITY .....	81
8.41	RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT .....	82
8.42	RECYCLED BOND PAPER .....	83
8.43	SUBCONTRACTING.....	83
8.44	TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN CHILD SUPPORT COMPLIANCE .....	86

**SAMPLE CONTRACT PROVISIONS  
TABLE OF CONTENTS**

<b>PARAGRAPH</b>	<b>TITLE</b>	<b>PAGE</b>
8.45	TERMINATION FOR CONVENIENCE .....	87
8.46	TERMINATION FOR DEFAULT .....	88
8.47	TERMINATION FOR IMPROPER CONSIDERATION .....	89
8.48	TERMINATION FOR INSOLVENCY.....	89
8.49	TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE.....	90
8.50	TERMINATION FOR NON-APPROPRIATION OF FUNDS .....	90
8.51	VALIDITY .....	91
8.52	WAIVER .....	91
8.53	WARRANTY AGAINST CONTINGENT FEES.....	92
<b>ADDITIONAL H&amp;HS DEPARTMENT SPECIFIC CONTRACT LANGUAGE.....</b>		<b>92</b>
<b>SIGNATURES.....</b>		<b>104</b>
<b>EXHIBITS</b>		
A	STATEMENT OF WORK .....	
B	PRICING SCHEDULE.....	
C	CONTRACTOR'S PROPOSED SCHEDULE .....	
D	CONTRACTOR'S EEO CERTIFICATION .....	
E	COUNTY'S ADMINISTRATION .....	
F	CONTRACTOR'S ADMINISTRATION.....	
<b>G FORMS REQUIRED AT THE TIME OF CONTRACT EXECUTION</b>		
G1	CONTRACTOR EMPLOYEE ACKNOWLEDGMENT, CONFIDENTIALITY, AND COPYRIGHT ASSIGNMENT AGREEMENT .....	
G2	CONTRACTOR NON-EMPLOYEE ACKNOWLEDGMENT, CONFIDENTIALITY AND COPYRIGHT ASSIGNMENT AGREEMENT .....	
<b>H FORMS REQUIRED AT COMPLETION OF CONTRACTS INVOLVING INTELLECTUAL PROPERTY DEVELOPED/DESIGNED BY CONTRACTOR</b>		
H1	INDIVIDUAL'S ASSIGNMENT & TRANSFER OF COPYRIGHT.....	
H2	CONTRACTOR'S ASSIGNMENT & TRANSFER OF COPYRIGHT .....	
H3	NOTARY STATEMENT FOR ASSIGNMENT & TRANSFER OF COPYRIGHT.....	
I	JURY SERVICE ORDINANCE .....	
J	SAFELY SURRENDERED BABY LAW .....	
<b>PROP A - LIVING WAGE PROGRAM DOCUMENTS</b>		
K	LIVING WAGE ORDINANCE .....	
L	MONTHLY CERTIFICATION FOR APPLICABLE HEALTH BENEFIT PAYMENTS .....	
M	PAYROLL STATEMENT OF COMPLIANCE .....	
N	LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM.....	

**Sample County Contract  
With County H&HS  
Department Specific Contract Language Inserted**

**CONTRACT BETWEEN  
COUNTY OF LOS ANGELES  
AND**

**FOR**

**SERVICES**

This Contract and Exhibits made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2003 by and between the County of Los Angeles, hereinafter referred to as County and \_\_\_\_\_, hereinafter referred to as Contractor. \_\_\_\_\_ is located at \_\_\_\_\_.

**RECITALS**

WHEREAS, the County may contract with private businesses for \_\_\_\_\_ Services when certain requirements are met; and

WHEREAS, the Contractor is a private firm specializing in providing \_\_\_\_\_ Services; and

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language replaces the language in the Sample County Contract Recitals.**

WHEREAS, pursuant to Government Code Sections 26227, 31000 and 53703, COUNTY is permitted to contract for services, and

WHEREAS, the COUNTY desires to provide **\*\*\* (INSERT DESCRIPTION OF SERVICES) \*\*\***; and

WHEREAS, COUNTY has determined that the services to be provided under this Agreement are **\*\*\* (INSERT THE REASON DEPARTMENT OF CHILDREN AND FAMILY SERVICES FEELS IT IS NECESSARY TO PROVIDE SERVICES) \*\*\*** (EXAMPLE "services are of an extraordinary, professional nature"); and

WHEREAS, pursuant to provisions of **\*\*\* (INSERT STATE OR FEDERAL REGULATIONS, ASSEMBLY BILL, e.g.) \*\*\***, the **\*\*\* (INSERT CALIFORNIA DEPARTMENT OF SOCIAL SERVICES OR THE RESPONSIBLE ENTITY) \*\*\*** is designated to administer **\*\*\* (INSERT A STATE OR FEDERAL SYSTEM, e.g.) \*\*\*** for establishing a **\*\*\* (INSERT WHAT IS TO BE ESTABLISHED) \*\*\*** in the **\*\*\* (INSERT PROGRAM) \*\*\***;

WHEREAS, pursuant to Los Angeles County Code Sections 2.121.250 et seq., COUNTY is permitted to contract with private business when, as here, COUNTY determines that the services can be performed more economically by a CONTRACTOR than by COUNTY employees; and

WHEREAS, CONTRACTOR has submitted an offer to COUNTY for provision of such services and based on competitive sealed bidding under Los Angeles County Code section 2.121.320, CONTRACTOR has been selected for recommendation for award of this Agreement.

**DEPARTMENT OF HEALTH SERVICES:**

**The following language is in addition to the language in the Sample County Contract Recitals.**

Whereas, pursuant to Section 1441 and 1445 of the California Health and Safety Code, County has established and operates through its Department of Health Services, the "INSERT FACILITY NAME" (hereafter "INSERT FACILITY NAME"); and

**DEPARTMENT OF PUBLIC SOCIAL SERVICES:**

**The following language is in addition to the language in the Sample County Contract Recitals.**

WHEREAS, COUNTY is authorized by Government Code Section 26227 and 31000 to contract for such services, including those contemplated herein.

**Prop A Authorization**

WHEREAS, pursuant to *Section 44.7* of the Los Angeles County Charter as implemented by the Los Angeles County Code Chapter 2.121, pursuant to which COUNTY is permitted to contract with private businesses to perform services when it is more economical to do so.

***Prop A authorization:***

***WHEREAS, the County has determined that it is legal, feasible, and cost-effective to contract***  
***Services; and***

***WHEREAS, this Contract is therefore authorized under Section 44.7 of the Los Angeles County Charter and Los Angeles County Codes Section 2.121.250; and***

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to the following:

**1.0 APPLICABLE DOCUMENTS**

Exhibits A, B, C, D, E, F, G, H, I, J, K L, M and N are attached to and form a part of this Contract. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Contract and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the Contract and then to the Exhibits according to the following priority:

- 1.1 EXHIBIT A - Statement of Work
- 1.2 EXHIBIT B - Pricing Schedule
- 1.3 EXHIBIT C - Contractor's Proposed Schedule
- 1.4 EXHIBIT D - Contractor's EEO Certification
- 1.5 EXHIBIT E - County's Administration
- 1.6 EXHIBIT F - Contractor's Administration
- 1.7 EXHIBIT G - Forms Required at the Time of Contract Execution
- 1.8 EXHIBIT H - Forms Required at Completion of Contracts Involving Intellectual Property  
Developed/Designed by Contractor
- 1.9 EXHIBIT I - Jury Service Ordinance
- 1.10 EXHIBIT J - Safely Surrendered Baby Law
- 1.11 EXHIBIT K - Living Wage Ordinance \*
- 1.12 EXHIBIT L - Monthly Certification for Applicable Health Benefit  
Payments \*
- 1.13 EXHIBIT M - Payroll Statement of Compliance \*

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language is *in addition* to the language in the Sample County Contract, 1.0.**

**1.0 APPLICABLE DOCUMENTS**

1.2.1 – EXHIBIT B-1 Budget

1.9.1 – Jury Service Program Certification

1.9.2 – Los Angeles County Code 2.203 Jury Service Program

1.14 – EXHIBIT – Child Support Compliance Program Certification

1.15 – EXHIBIT IRS Notice 1015

1.16 – EXHIBIT Certification of Independent Price Determination

1.17 – EXHIBIT Auditor-Controller Contract Accounting/Administration Handbook

1.18 – EXHIBIT CBE Firm/Organization Form

**(And if Prop A contract, include the following)**

**Exhibit – Acknowledgement and Statement of Compliance**

**Exhibit – Labor/Payroll/Debarment History**

**Exhibit – Contractor Living Wage Declaration**

**Exhibit – Application for Exemption**

**Exhibit – Model Contractor Staffing Plan**

**Exhibit – Employee Health Care Plan (if being provided by Employer)**

***\* Prop A - Living Wage Program***

***(Add 1.14 only if the contract is awarded to a Local SBE Contractor in accordance with the Local SBE Program.)***

**1.14 EXHIBIT N – Local Small Business Enterprise Preference Program**

This Contract and the Exhibits hereto constitute the complete and exclusive statement of understanding between the parties, and supersedes all previous Contracts, written and oral, and all communications between the parties relating to the subject matter of this Contract. No change to this Contract shall be valid unless prepared pursuant to Sub-paragraph 8.4 - Change Notices and Amendments and signed by both parties.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following contract section *may be used only if allowed by Federal Statute.***

**1.14 LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM**

***(Section 1.14, Of The County Sample Contract, Can Only Be Used If Federal Statute Allows For Use Of Geographic Preference)***

## 2.0 DEFINITIONS

The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

### **DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language is in addition to the language in the Sample County Contract Definitions.**

#### **DEFINITIONS (CAPTIONS AND SECTION HEADINGS)**

Each paragraph and certain subparagraphs of this Agreement have been supplied with captions which serve only as guides to the contents. The captions do not control the meaning of any paragraph or subparagraph or in any way determine this Agreement's interpretation or meaning.

- 2.1 **Contract:** Agreement executed between County and Contractor. It sets forth the terms and conditions for the issuance and performance of the Statement of Work, Exhibit A.
- 2.2 **Contractor:** The sole proprietor, partnership, or corporation that has entered into a contract with the County to perform or execute the work covered by the Statement of Work.
- 2.3 **Contractor Project Manager:** The individual designated by the Contractor to administer the Contract operations after the Contract award.
- 2.4 **County Contract Project Monitor:** Person with responsibility to oversee the day to day activities of this Contract. Responsibility for inspections of any and all tasks, deliverables, goods, services and other work provided by Contractor.
- 2.5 **County Project Director:** Person designated by County with authority for County on contractual or administrative matters relating to this Contract that cannot be resolved by the County's Project Manager.
- 2.6 **County Project Manager:** Person designated by County's Project Director to manage the operations under this Contract.
- 2.7 **Day(s):** Calendar day(s) unless otherwise specified
- 2.8 **Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30<sup>th</sup>.

### **COMMUNITY AND SENIOR SERVICES:**

**The following language is in addition to the language in the Sample County Contract, 2.0.**

- 2.9 **"DCSS"** shall mean the County of Los Angeles Department of Community and Senior Services.

### **DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language replaces the language in the Sample County Contract, 2.0.**

- 2.1 **"Day(s)"** means calendar day(s) unless otherwise specified.
- 2.2 **"DCFS"** means COUNTY's Department of Children and Family Services.
- 2.3 **"Director"** means COUNTY's Director of Children and Family Services or his or her authorized designee.



- 2.4 **"Fiscal Year(s)"** means COUNTY's Fiscal Year which commences July 1 and ends the following June 30.
- 2.5 **"Program Manager"** means the COUNTY representative responsible for daily management of contract operation and overseeing monitoring activities.
- 2.6 **"Project"** means the work to be performed by CONTRACTOR as defined in Exhibit A, Statement of Work.
- 2.7 **"Subcontract"** means a contract by which a third party agrees to provide services or materials necessary to fulfill an original contract.

**3.0 WORK**

- 3.1 Pursuant to the provisions of this Contract, the Contractor shall fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth in the *Statement of Work, Exhibit A*.
- 3.2 If the Contractor provides any tasks, deliverables, goods, services, or other work, other than as specified in this Contract, the same shall be deemed to be a gratuitous effort on the part of the Contractor, and the Contractor shall have no claim whatsoever against the County.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language is in addition to the language in the Sample County Contract, 3.1.**

**3.0 WORK**

- 3.1 (STANDARD LANGUAGE) Pursuant to the provisions of this Contract, the Contractor shall fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth in the *Statement of Work, Exhibit A*. (Plus DCFS Language) **CONTRACTOR warrants that it possesses the competence, expertise and personnel necessary to provide such services.**

**4.0 TERM OF CONTRACT**

- 4.1 The term of this Contract shall be \_\_\_\_ years commencing after execution by County's Board of Supervisors, unless sooner terminated or extended, in whole or in part, as provided in this Contract.
- 4.2 The County shall have the option to extend the Contract term for up to \_\_\_\_\_ additional one-year periods, for a maximum total Contract term of \_\_\_\_\_ years. Each such option year shall be exercised individually by the (*Department Head or Board of Supervisors*).
- 4.3 Contractor shall notify (*Department*) when this Contract is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, Contractor shall send written notification to (*Department*) at the address herein provided in *Exhibit E - County's Administration*.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language replaces the language in the Sample County Contract, 4.0.**

**4.0 TERM OF CONTRACT**

**(Language For Agreements To Be Signed By The Board Of Supervisors)**

- 4.1 The term of this Agreement shall commence on **\*\*\* (INSERT DATE) \*\*\*** or date of approval by COUNTY Board of Supervisors, hereinafter referred to as the "Board", whichever is later, and shall continue through **\*\*\* (INSERT DATE) \*\*\***, unless terminated earlier as provided herein.

***(Language For Agreements To Be Signed By The Director Of DCFS)***

- 4.2 The term of this Agreement shall commence on \*\*\* (INSERT DATE) \*\*\* or date of execution by the DCFS Director, whichever is later, and shall continue through \*\*\* (INSERT DATE) \*\*\*, unless terminated earlier as provided herein.

**DEPARTMENT OF PUBLIC SOCIAL SERVICES:**

**The following language replaces the language in the Sample County Contract, 4.0.**

**4.0 TERM OF CONTRACT**

- 4.1 The term of this Contract shall be for \_\_\_ years, commencing \_\_\_\_\_, \_\_\_\_\_, or one day following execution of the Contract by the County's Board of Supervisors, whichever is later, and continuing through \_\_\_\_\_, \_\_\_\_\_, unless sooner terminated or extended, in whole or in part, as provided in this contract.
- 4.2 The County shall have the option to extend the Contract term for up to \_\_\_\_\_ additional one-year periods, for a maximum total Contract term of \_\_\_\_\_ years. Each such option year shall be exercised individually by the *(Department Head or Board of Supervisors)*.
- 4.3 Contractor shall notify *(Department)* when this Contract is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, Contractor shall send written notification to *(Department)* at the address herein provided in *Exhibit E - County's Administration*.

**PROBATION DEPARTMENT: The following language replaces the language in the Sample County Contract, 4.0.**

**4.0 TERM OF CONTRACT**

- 4.1 Subject to the termination provisions set forth herein (Sections \_\_.0, \_\_.0, \_\_.0, \_\_.0, and \_\_.0 and financial limitations imposed by Sections \_\_.0 and \_\_.0), the term of this contract shall commence (Date \_\_\_\_\_) through (Date \_\_\_\_\_). Contingent upon available funding, it may be extended by the Chief Probation Officer upon mutual agreement for \_\_\_\_ (\_\_) additional twelve (12) month periods.
- 4.2 Contingent upon available funding, the term of the contract may also be extended beyond the stated expiration date on a month-to-month basis, for a period of time not to exceed six (6) months, upon the written request of the Chief Probation Officer and the written concurrence of CONTRACTOR. All terms of the contract in effect at the time of extending the term shall remain in effect for the duration of the extension. Compensation for work performed during the extension period will be prorated on a monthly basis where applicable, and on a daily basis for periods of time less than a month.

**5.0 CONTRACT SUM**

- 5.1 *(Indicate the contract sum or reference an exhibit that has the Pricing Schedule listed)*

**DEPARTMENT OF PUBLIC SOCIAL SERVICES:**

**The following language replaces the language in the Sample County Contract, 5.0.**

**5.0 CONTRACT SUM**

- 5.1 *(Indicate the contract sum and reference an exhibit that has the Pricing Schedule and Budget Sheet segregated into Direct and Indirect Costs and Profit for this Contract.)*

**PROBATION DEPARTMENT:**

**The following language replaces the language in the Sample County Contract, 5.0.**

**5.0 CONTRACT SUM**

- 5.1 The contract fee under the terms of this contract shall be the total monetary amount payable by COUNTY to the CONTRACTOR for supplying all services specified under this contract. The total sum, inclusive of all applicable taxes, shall not exceed \$XXXX. Notwithstanding said limitation of funds, CONTRACTOR agrees to satisfactorily perform and complete all work specified herein.
- 5.2 The Contractor shall not be entitled to payment or reimbursement for any tasks or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein. Assumption or takeover of any of the Contractor's duties, responsibilities, or obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever, shall occur only with the County's express prior written approval.
- 5.3 Contractor shall maintain a system of record keeping that will allow Contractor to determine when it has incurred seventy-five percent (75%) of the total contract authorization under this Contract. Upon occurrence of this event, Contractor shall send written notification to (*Department*) at the address herein provided in *Exhibit E*.
- 5.4 No Payment for Services Provided Following Expiration/ Termination of Contract
- Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Contractor after the expiration or other termination of this Contract. Should Contractor receive any such payment it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration/termination of this Contract shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Contract.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language replaces the language in the Sample County Contract, 5.0.**

**5.0 CONTRACT SUM**

***(Language For Fee For Services)***

- 5.1 COUNTY and CONTRACTOR agree that this is a firm-fixed price contract. During the term of this Agreement, COUNTY shall compensate CONTRACTOR for the services set forth in Exhibit A, Statement of Work, and at the rate of compensation set forth in Exhibit B, Pricing Schedule.
- 5.2 The total amount payable under this Agreement is **\*\*\* (INSERT AMOUNT) \*\*\***, hereinafter referred to as "Maximum Contract Sum". The maximum amount payable under this Agreement for each of the contract years shall not exceed **\*\*\* (INSERT AMOUNT) \*\*\***, hereinafter referred to as "Maximum Annual Contract Sum".
- 5.3 CONTRACTOR has prepared and submitted to COUNTY a budget segregating direct and indirect costs and profit for the work to be performed by CONTRACTOR under this Agreement, hereinafter referred to as "Budget". Budgeted expenses shall be reduced by applicable CONTRACTOR revenues which are identified thereon. The line items shall provide sufficient detail to determine the quality and quantity of services to be delivered.

This Budget is attached hereto and incorporated by reference herein as Exhibit B-1, Budget. CONTRACTOR represents and warrants that the Budget is true and correct in all respects, and services shall be delivered hereunder in accordance with the Budget. In the event the Maximum Contract Sum is increased pursuant to Section 12.0, Changes and Amendments, hereof, CONTRACTOR shall prepare and submit an amended Budget.

**NOTE: Only for use with Prop A Contracts and if determined by Department to include: language for COLA/CPI provision (not mandatory).**

- 5.4 Cost of Living Adjustment/Consumer Price Index: The Maximum Annual Contract Sum may be adjusted annually based on the increase or decrease in the U.S. Department of Labor, Bureau of Labor Statistics' Consumer Price Index for the Los Angeles-Riverside-Orange County Area (CPI) for the most recently published percentage change for the 12-month period preceding the contract anniversary date, which shall be the effective date for any cost of living adjustment. However, any increase shall not exceed the general salary movement granted to COUNTY employees as determined by the Chief Administrative Office as of each July 1 for the prior 12-month period. Furthermore, should fiscal circumstances ultimately prevent the Board from approving any increase in COUNTY employee salaries, no cost of living adjustments will be granted.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language replaces the language in the Sample County Contract, 5.0.**

**5.0 CONTRACT SUM**

***(Language For Cost Reimbursement Services)***

- 5.1 COUNTY and CONTRACTOR agree that this is a firm-fixed price contract. During the term of this Agreement, COUNTY shall reimburse CONTRACTOR for the costs of performing the services set forth in Exhibit A, Statement of Work, in accordance with Section 5.0, Payment and Invoices, provided that the total amount payable under this Agreement is **\*\*\*(INSERT AMOUNT)\*\*\***, hereinafter referred to as "Maximum Contract Sum". The maximum amount payable during each contract year of the term of this Agreement is **\*\*\*(INSERT AMOUNT)\*\*\***, hereinafter referred to as "Maximum Annual Contract Sum."

- 5.2 CONTRACTOR has prepared and submitted to COUNTY a budget segregating direct and indirect costs and profit for the work to be performed by CONTRACTOR under this Agreement, hereinafter referred to as "Budget". Budgeted expenses shall be reduced by applicable CONTRACTOR revenues which are identified thereon. The line items shall provide sufficient detail to determine the quality and quantity of services to be delivered. This Budget is attached hereto and incorporated by reference herein as Exhibit B, Budget. CONTRACTOR represents and warrants that the Budget is true and correct in all respects and services shall be delivered hereunder in accordance with the Budget. In the event the Maximum Contract Sum is increased pursuant to Section 12.0, Changes and Amendments, hereof, CONTRACTOR shall prepare and submit an amended Budget.

**NOTE: Only for use with Prop A Contracts and if determined by Department to include: language for COLA/CPI provision (not mandatory).**

- 5.3 Cost of Living Adjustment/Consumer Price Index: The Maximum Annual Contract Sum may be adjusted annually based on the increase or decrease in the U.S. Department of Labor, Bureau of Labor Statistics' Consumer Price Index for the Los Angeles-Riverside-Orange County Area (CPI) for the most recently published percentage change for the 12-month period preceding the contract anniversary date, which shall be the effective date for any cost of living adjustment. However, any increase shall not exceed the general salary movement granted to COUNTY employees as determined by the Chief Administrative Office as of each

July 1 for the prior 12-month period. Furthermore, should fiscal circumstances ultimately prevent the Board from approving any increase in COUNTY employee salaries, no cost of living adjustments will be granted.

## **5.5 Invoices and Payments**

- 5.5.1 The Contractor shall invoice the County only for providing the tasks, deliverables, goods, services, and other work specified in *Exhibit A - Statement of Work* and elsewhere hereunder. The Contractor shall prepare invoices, which shall include the charges owed to the Contractor by the County under the terms of this Contract. The Contractor's payments shall be as provided in *Exhibit B - Pricing Schedule*, and the Contractor shall be paid only for the tasks, deliverables, goods, services, and other work approved in writing by the County. If the County does not approve work in writing no payment shall be due to the Contractor for that work.
- 5.5.2 The Contractor's invoices shall be priced in accordance with *Exhibit B - Pricing Schedule*.
- 5.5.3 The Contractor's invoices shall contain the information set forth in *Exhibit A - Statement of Work* describing the tasks, deliverables, goods, services, work hours, and facility and/or other work for which payment is claimed.
- 5.5.4 The Contractor shall submit the monthly invoices to the County by the 15<sup>th</sup> calendar day of the month following the month of service.  
*Prop A - Living Wage Program:*  
*No invoice will be approved for payment unless the following is included:*
- *Exhibit L - Monthly Certification for Applicable Health Benefit Payments*
  - *Exhibit M - Payroll Statement of Compliance*
- 5.5.5 All invoices under this Contract shall be submitted in two (2) copies to the following address:  
\_\_\_\_\_
- 5.5.6 **County Approval of Invoices.** All invoices submitted by the Contractor for payment must have the written approval of the County's Project Manager prior to any payment thereof. In no event shall the County be liable or responsible for any payment prior to such written approval. Approval for payment will not be unreasonably withheld, and in no instance will such approval take more than two (2) weeks from receipt of properly prepared invoices by the County.

### **DEPARTMENT OF PUBLIC SOCIAL SERVICES:**

**The following language *replaces* the language in the Sample County Contract, 5.5.1, .2, & .5.**

## **5.5 INVOICE AND PAYMENTS**

- 5.5.1 The Contractor shall invoice the County only for providing the tasks, deliverables, goods, services, and other work specified in *Exhibit A - Statement of Work* and elsewhere hereunder. The Contractor shall prepare invoices, which shall include the charges owed to the Contractor by the County under the terms of this Contract. The Contractor's payments shall be as provided in *Exhibit B - Pricing Schedule and Budget*, and the Contractor shall be paid only for the tasks, deliverables, goods, services, and other work approved in writing by the County. If the County does not approve the work in writing, no payment shall be due to the Contractor for that work.
- 5.5.2 The Contractor's invoices shall be priced in accordance with *Exhibit B - Pricing Schedule and Budget*.

- 5.5.3 [No Change]  
5.5.4 [No Change]

- 5.5.5 An original and one copy of all invoices under this Contract shall be submitted to the following address:

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**DEPARTMENT OF PUBLIC SOCIAL SERVICES:**

**The following language replaces the language in the Sample County Contract, 5.5.**

***NOTE: This replacement is to be used for Actual Cost Contracts only.***

**5.5. INVOICES AND PAYMENT FOR ACTUAL COSTS**

- 5.5.1. The County shall pay the Contractor for services provided under this Contract for actual costs incurred by Contractor in accordance with *Exhibit B - Contractor's Budget*. The Contractor's compensation shall be subject to the limits set forth in the provisions of Paragraphs 5.1 through 5.4 hereinabove. Contractor shall not exceed each year's annual budgeted amount and shall not roll over unspent money from the one year's budget to another year's budget. The maximum cost of this Contract shall not exceed the amount in Paragraph 5.1 hereinabove.
- 5.5.2. Payment to Contractor will be made monthly in arrears provided that Contractor is not in default under any provision of this Contract, and has submitted a complete and accurate statement of payment due. Costs are to be reconciled to the actual cost quarterly.
- 5.5.3. Contractor shall prepare and submit an original and one copy of the monthly invoice to the following address: \_\_\_\_\_.
- 5.5.4. Contractor shall submit the monthly invoices to the County by the 15<sup>th</sup> calendar day of the month following the month of service. Attached to each invoice shall be documentation to support the invoiced amounts.
- 5.5.5. Payment to Contractor shall be made only upon County's written approval of the invoice as provide in 5.5.6 herein below.
- 5.5.6. Contractor shall reconcile their monthly billings on a quarterly basis (see Exhibit \_\_\_ - Quarterly Reconciliation Invoice Report). Reconciliation invoices shall be supported by detailed (line item) documentation in accordance with *Exhibit B - Contractor's Budget* to include the following:
- (a) Administrative and support services costs shall be separately identified.
  - (b) Personnel costs shall be itemized by pay classification.
  - (c) One-time only costs shall be clearly identified.
  - (d) Any prorated costs shall be clearly identified.



- 5.5.7. Contractor shall advise County in writing of any substantive deviations or reallocation of line item costs from Contractor's Budget. Contractor may, with County approval, reallocate funds among each of the major cost categories listed in *Exhibit B - Contractor's Budget*, to a maximum of 15% of each part, not to exceed the total Contract amount. Reallocation of funds by Contractor by more than 15% between the major cost categories requires written approval of the Director.
- 5.5.8. If the quarterly reconciliation finds that County's dollar liability was more than payments made by the County to Contractor, or that County's dollar liability for such services is less than payments made by County to Contractor, then County shall either credit or deduct the difference against future payments hereunder to Contractor. In no event shall County's maximum obligation under this Contract exceed the funds appropriated by County for the purpose of this Contract.
- 5.5.9. Reconciliation invoices are due by the twentieth (20<sup>th</sup>) calendar day following the end of each quarter of service. Reconciliation not filed will cause an immediate payment suspension of all invoices received after the quarterly reconciliation due date.
- 5.5.10. County may delay the last payment due hereunder until six (6) months after the termination or expiration of this Contract. Contractor shall be liable for payment on thirty (30) days written notice of any offset authorized by the Contract not deducted from any payment made by County to Contractor.
- 5.5.11. As this contract is awarded to a public educational institution or federal, state or local agency, the Contract payment will be subject to Actual Cost Contract requirements.
- 5.5.12. Prior to receiving final payment hereunder, Contractor shall submit a signed, written release discharging County, its officers and employees from all liabilities, obligations, and claims arising out of Contractor's performance, under the Contract, except for claims specifically described in detail in such release.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language *replaces* the language in the Sample County Contract, 5.5.**

**5.5. INVOICES AND PAYMENTS**

***(Language For Federal Cost Reimbursement Agreements)***

- 5.5.1 For work performed in accordance with the terms of this Agreement as determined by COUNTY, CONTRACTOR shall invoice COUNTY monthly in arrears at the actual cost incurred in conformance with Exhibit B, **\*\*\* (INSERT THE WORD BUDGET OR BUDGET TITLE) \*\*\*** and in the format prescribed by the COUNTY (i.e. personnel, employee benefits, supplies and expenses, equipment, travel and indirect costs).
- 5.5.2 CONTRACTOR, without prior approval of COUNTY, may reallocate up to a maximum of five percent (5%) of the Maximum Annual Contract Sum for each year between the approved line item budget categories (i.e. personnel, employee benefits, supplies and expenses, equipment, travel and indirect costs). Any subsequent budget modifications above the five percent (5%) maximum shall be agreed to by the parties and requested in writing by CONTRACTOR. In any event, such revisions shall not result in any increase in the Maximum Contract Sum. Such requests to COUNTY shall be addressed as follows:

Department of Children and Family Services  
\*\*\***(INSERT NAME)**\*\*\*, Program Manager  
\*\*\***(INSERT PROGRAM MANAGER'S ADDRESS)**\*\*\*

And a duplicate copy of the Budget modification request to:

Department of Children and Family Services  
Contract Management Services  
Attention: Contract Administrator  
425 Shatto Place, Room 205  
Los Angeles, California 90020

- 5.5.3 Expenditures made by CONTRACTOR in the operation of this Agreement shall be in compliance and in conformity with Office of Management and Budget (OMB) Circular, \*\*\***(INSERT CIRCULAR NUMBER)**\*\*\* and the line item budget categories of Exhibit B, Budget.
- 5.5.4 CONTRACTOR shall submit an invoice in arrears for services rendered in the previous month. All invoices should be received within thirty (30) days of the last day of the previous month but may be received later than thirty (30) days at COUNTY's sole discretion as long as sufficient funds remain available under this Agreement. All such services rendered by CONTRACTOR shall be paid in accordance with Exhibit B, Budget.
- 5.5.5 CONTRACTOR shall submit the original monthly invoice to the DCFS Finance Office ("Finance") and one copy to the Program Manager for review and approval.

CONTRACTOR shall send original invoices to be approved to:

County of Los Angeles  
Department of Children and Family Services  
Attention: Contract and Grant Payments Unit  
425 Shatto Place, Room 204  
Los Angeles, California 90020

And a duplicate copy of the invoices to:

\*\*\***(INSERT NAME)**\*\*\*, Program Manager  
County of Los Angeles  
Department of Children and Family Services  
\*\*\***(INSERT PROGRAM MANAGER'S ADDRESS)**\*\*\*

- 5.5.6 Upon receipt of CONTRACTOR's monthly invoice, Finance shall forward the invoice to the Program Manager, or designee, for review and approval. The Program Manager shall review the detailed charges to ensure charges are in accordance with the Agreement terms and that invoiced services have been received.
- 5.5.7 Upon approval of the monthly invoice, the Program Manager, or designee, shall forward the invoice to Finance for payment.
- 5.5.8 Payment to CONTRACTOR will be made in arrears on a monthly basis for services performed, provided that the CONTRACTOR is not in default under any provision of this Agreement. COUNTY shall attempt to authorize payment within thirty (30) days following receipt of invoice, provided that all work performed during the preceding month has been reviewed, accepted, signed and dated by the Program Manager or designee. COUNTY has no obligation to pay for any work except those services expressly authorized by this Agreement.



- 5.5.9 In compliance with Internal Revenue Service (IRS) requirements, CONTRACTOR shall provide CONTRACTOR's Tax Identification Number.
- 5.5.10 CONTRACTOR is responsible for the accuracy of invoices submitted to COUNTY. Further, it is the responsibility of CONTRACTOR to reconcile or otherwise correct inaccuracies or inconsistencies in the invoices submitted by CONTRACTOR and to notify COUNTY of any overpayments received by CONTRACTOR. Overpayment received by CONTRACTOR, as determined by Program Manager, or designee, shall be returned to COUNTY by CONTRACTOR within thirty (30) days of receiving notification of such overpayment from the COUNTY, or may be set off at COUNTY's election against future payments due CONTRACTOR. Notwithstanding any other provision of this Agreement, CONTRACTOR shall return to COUNTY any and all payments which exceed the Maximum Contract Sum. Furthermore, CONTRACTOR shall return said payments within thirty (30) days of receiving notification of overpayment from the COUNTY or immediately upon discovering such overpayment, whichever date is earlier.
- 5.5.11 CONTRACTOR shall not be paid for expenditures beyond the Maximum Contract Sum, and CONTRACTOR agrees that COUNTY has no obligation, whatsoever, to pay for any expenditures by CONTRACTOR that exceed the Maximum Contract Sum.
- 5.5.12 CONTRACTOR shall notify COUNTY, in the manner set forth in Sections 5.0, Payments and Invoices, and 11.0, Notices, of this Agreement, when expenditures under this Agreement total seventy-five (75%) of the Maximum Contract Sum. Furthermore, CONTRACTOR shall notify COUNTY, in the manner set forth in Sections 5.0, Payments and Invoices, and 11.0, Notices, of this Agreement, when this Agreement is within six (6) months of expiration. CONTRACTOR shall send these notices to those persons and addresses which are set forth in Sections 5.0, Payments and Invoices, and 11.0, Notices.
- 5.5.13 CONTRACTOR shall have no claim against COUNTY for payment of any money or reimbursement, of any kind whatsoever, for any service provided by CONTRACTOR after the expiration or other termination of this Agreement. Should CONTRACTOR receive any such payment it shall immediately notify COUNTY and shall immediately repay all such funds to COUNTY. Payment by COUNTY for services rendered after expiration/termination of this Agreement shall not constitute a waiver of COUNTY's right to recover such payment from CONTRACTOR. This provision shall survive the expiration or other termination of this Agreement.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language replaces the language in the Sample County Contract, 5.5.**

**5.5 INVOICES AND PAYMENTS**

***(Language For Non-Federal Cost Reimbursement Agreements)***

- 5.5.1 For work performed in accordance with the terms of this Agreement as determined by COUNTY, CONTRACTOR shall invoice COUNTY monthly in arrears for contract services at the actual cost incurred in conformance with Exhibit B **\*\*\* (INSERT THE WORD BUDGET OR BUDGET TITLE) \*\*\*** and in the format prescribed by the COUNTY (i.e. personnel, employee benefits, supplies and expenses, equipment, travel and indirect costs).

- 5.5.2 CONTRACTOR, without prior approval of COUNTY, may reallocate up to a maximum of five percent (5%) of the Maximum Annual Contract Sum for each year between the approved line item budget categories (i.e. personnel, employee benefits, supplies and expenses, equipment, travel and indirect costs). Any subsequent budget modifications above the five percent (5%) maximum shall be agreed to by the parties and requested in writing by CONTRACTOR. In any event, such revisions shall not result in any increase in the Maximum Contract Sum. Such requests to COUNTY shall be addressed as follows:

Department of Children and Family Services  
\*\*\***(INSERT NAME)**\*\*\*, Program Manager  
\*\*\***(INSERT PROGRAM MANAGER'S ADDRESS)**\*\*\*

And a duplicate copy of the Budget modification request to:

Department of Children and Family Services  
Contract Management Services  
Attention: Contract Administrator  
425 Shatto Place, Room 205  
Los Angeles, California 90020

- 5.5.3 CONTRACTOR shall submit an invoice in arrears for services rendered in the previous month. All invoices should be received within thirty (30) days of the last day of the previous month but may be received later than thirty (30) days at COUNTY's sole discretion, as long as sufficient funds remain available under this Agreement. All such services rendered by CONTRACTOR shall be paid in accordance with Exhibit B, Budget.

- 5.5.4 CONTRACTOR shall submit the original monthly invoice to the DCFS Finance Office ("Finance") and one copy to the Program Manager for review and approval.

CONTRACTOR shall send original invoices to be approved to:

County of Los Angeles  
Department of Children and Family Services  
Attention: Contract and Grant Payments Unit  
425 Shatto Place, Room 204  
Los Angeles, California 90020

And a duplicate copy of the invoices to:

\*\*\***(INSERT NAME)**\*\*\*, Program Manager  
County of Los Angeles  
Department of Children and Family Services  
\*\*\***(INSERT PROGRAM MANAGER'S ADDRESS)**\*\*\*

- 5.5.5 Upon receipt of CONTRACTOR's monthly invoice, Finance shall forward the invoice to the Program Manager, or designee, for review and approval. The Program Manager, or designee, shall review the detailed charges to ensure charges are in accordance with the Agreement terms and that invoiced services have been received.

- 5.5.6 Upon approval of the monthly invoice, the Program Manager, or designee, shall forward the invoice to Finance for payment.

- 5.5.7 Payment to CONTRACTOR will be made in arrears on a monthly basis for services performed, provided that the CONTRACTOR is not in default under any provision of this Agreement. COUNTY shall attempt to authorize payment within thirty (30) days

following receipt of invoice, provided that all work performed during the preceding month has been reviewed, accepted, signed and dated by the Program Manager or designee. COUNTY has no obligation to pay for any work except those services expressly authorized by this Agreement.

- 5.5.8 In compliance with Internal Revenue Service (IRS) requirements, CONTRACTOR shall provide CONTRACTOR's Tax Identification Number.
- 5.5.9 CONTRACTOR is responsible for the accuracy of invoices submitted to COUNTY. Further, it is the responsibility of CONTRACTOR to reconcile or otherwise correct inaccuracies or inconsistencies in the invoices submitted by CONTRACTOR and to notify COUNTY of any overpayments received by CONTRACTOR. Overpayment received by CONTRACTOR, as determined by Program Manager, or designee, shall be returned to COUNTY by CONTRACTOR within thirty (30) days of receiving notification of such overpayment from the COUNTY, or may be set off at COUNTY's election against future payments due CONTRACTOR. Notwithstanding any other provision of this Agreement, CONTRACTOR shall return to COUNTY any and all payments which exceed the Maximum Contract Sum. Furthermore, CONTRACTOR shall return said payments within thirty (30) days of receiving notification of overpayment from the COUNTY or immediately upon discovering such overpayment, whichever date is earlier.
- 5.5.10 CONTRACTOR shall not be paid for expenditures beyond the Maximum Contract Sum, and CONTRACTOR agrees that COUNTY has no obligation, whatsoever, to pay for any expenditures by CONTRACTOR that exceed the Maximum Contract Sum.
- 5.5.11 CONTRACTOR shall notify COUNTY, in the manner set forth in Sections 5.0, Payments and Invoices, and 11.0, Notices, of this Agreement, when expenditures under this Agreement total seventy-five percent (75%) of the Maximum Contract Sum. Furthermore, CONTRACTOR shall notify COUNTY, in the manner set forth in Sections 5.0, Payments and Invoices, and 11.0, Notices, of this Agreement, when this Agreement is within six (6) months of expiration. CONTRACTOR shall send these notices to those persons and addresses which are set forth in Sections 5.0, Payments and Invoices, and 11.0, Notices.
- 5.5.12 CONTRACTOR shall have no claim against COUNTY for payment of any money or reimbursement, of any kind whatsoever, for any service provided by CONTRACTOR after the expiration or other termination of this Agreement. Should CONTRACTOR receive any such payment it shall immediately notify COUNTY and shall immediately repay all such funds to COUNTY. Payment by COUNTY for services rendered after expiration/termination of this Agreement shall not constitute a waiver of COUNTY's right to recover such payment from CONTRACTOR. This provision shall survive the expiration or other termination of this Agreement.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language replaces the language in the Sample County Contract, 5.5.**

**5.5 INVOICES AND PAYMENTS**

***(Language For Federal Fee For Service)***

- 5.5.1 CONTRACTOR shall be paid for services provided on a monthly basis.

- 5.5.2 CONTRACTOR shall submit an invoice in arrears for services rendered in the previous month. All invoices should be received within thirty (30) days of the last day of the previous month but may be received later than thirty (30) days, at COUNTY's sole discretion, as long as sufficient funds remain available under the Agreement. All such services rendered by CONTRACTOR shall be paid in accordance with Exhibit B, Pricing Schedule.
- 5.5.3 Expenditures made by CONTRACTOR in the operation of this Agreement shall be in compliance and in conformity with the Office of Management and Budget (OMB) Circular, **\*\*\* (INSERT CIRCULAR NUMBER) \*\*\***.
- 5.5.4 CONTRACTOR shall submit the original monthly invoice to the DCFS Finance Office ("Finance") and one copy to the Program Manager for review and approval.

CONTRACTOR shall send original invoices to be approved to:

County of Los Angeles  
Department of Children and Family Services  
Attention: Contract and Grant Payments Unit  
425 Shatto Place, Room 204  
Los Angeles, California 90020

And a duplicate copy of the invoices to:

**\*\*\* (INSERT NAME) \*\*\***, Program Manager  
County of Los Angeles  
Department of Children and Family Services  
**\*\*\* (INSERT PROGRAM MANAGER'S ADDRESS) \*\*\***

- 5.5.5 Upon receipt of CONTRACTOR's monthly invoice, Finance shall forward the invoice to the Program Manager, or designee, for review and approval. The Program Manager, or designee, shall review the detailed charges to ensure charges are in accordance with the Agreement terms and that invoiced services have been received.
- 5.5.6 Upon approval of the monthly invoice, the Program Manager, or designee, shall forward the invoice to Finance for payment.
- 5.5.7 Payment to CONTRACTOR will be made in arrears on a monthly basis for services performed, provided that the CONTRACTOR is not in default under any provision of this Agreement. COUNTY shall attempt to authorize payment within thirty (30) days following receipt of invoice, provided that all work performed during the preceding month has been reviewed, accepted, signed and dated by the Program Manager or designee. COUNTY has no obligation to pay for any work except those services expressly authorized by this Agreement.
- 5.5.8 In compliance with Internal Revenue Service (IRS) requirements, CONTRACTOR shall provide CONTRACTOR's Tax Identification Number.
- 5.5.9 CONTRACTOR is responsible for the accuracy of invoices submitted to COUNTY. Further, it is the responsibility of CONTRACTOR to reconcile or otherwise correct inaccuracies or inconsistencies in the invoices submitted by CONTRACTOR and to notify COUNTY of any overpayments received by CONTRACTOR. Overpayment received by CONTRACTOR, as determined by Program Manager, or designee, shall be returned to COUNTY by CONTRACTOR within thirty (30) days of receiving notification of such overpayment from the COUNTY, or may be set off at COUNTY's election against future payments due CONTRACTOR. Notwithstanding any other provision of this Agreement, CONTRACTOR shall return to COUNTY any and all payments which exceed the Maximum Contract Sum. Furthermore, CONTRACTOR

shall return said payments within thirty (30) days of receiving notification of overpayment from the COUNTY or immediately upon discovering such overpayment, whichever date is earlier.

- 5.5.10 CONTRACTOR shall not be paid for expenditures beyond the Maximum Contract Sum, and CONTRACTOR agrees that COUNTY has no obligation, whatsoever, to pay for any expenditures by CONTRACTOR that exceed the Maximum Contract Sum.
- 5.5.11 CONTRACTOR shall notify COUNTY, in the manner set forth in Sections 5.0, Payments and Invoices, and 11.0, Notices, of this Agreement, when expenditures under this Agreement total seventy-five percent (75%) of the Maximum Contract Sum. Furthermore, CONTRACTOR shall notify COUNTY, in the manner set forth in Sections 5.0, Payments and Invoices, and 11.0, Notices, of this Agreement, when this Agreement is within six (6) months of expiration. CONTRACTOR shall send these notices to those persons and addresses which are set forth in Sections 5.0, Payments and Invoices, and 11.0, Notices.
- 5.5.12 CONTRACTOR shall have no claim against COUNTY for payment of any money or reimbursement, of any kind whatsoever, for any service provided by CONTRACTOR after the expiration or other termination of this Agreement. Should CONTRACTOR receive any such payment it shall immediately notify COUNTY and shall immediately repay all such funds to COUNTY. Payment by COUNTY for services rendered after expiration/termination of this Agreement shall not constitute a waiver of COUNTY's right to recover such payment from CONTRACTOR. This provision shall survive the expiration or other termination of this Agreement.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language *replaces* the language in the Sample County Contract, 5.5.**

**5.5 INVOICES AND PAYMENTS**

***(Language For Non-Federal Fee For Services)***

- 5.5.1 CONTRACTOR shall be paid for services provided on a monthly basis.
- 5.5.2 CONTRACTOR shall submit an invoice in arrears for services rendered in the previous month. All invoices should be received within thirty (30) days of the last day of the previous month but may be received later than thirty (30) days, at COUNTY's sole discretion, as long as sufficient funds remain available under the Agreement. All such services rendered by CONTRACTOR shall be paid in accordance with Exhibit B, Pricing Schedule.
- 5.5.3 CONTRACTOR shall submit the original monthly invoice to the DCFS Finance Office ("Finance") and one copy to the Program Manager for review and approval.

CONTRACTOR shall send original invoices to be approved to:

County of Los Angeles  
Department of Children and Family Services  
Attention: Contract and Grant Payments Unit  
425 Shatto Place, Room 204  
Los Angeles, California 90020



And a duplicate copy of the invoices to:

**\*\*\* (INSERT NAME) \*\*, Program Manager**

County of Los Angeles

Department of Children and Family Services

**\*\*\* (INSERT PROGRAM MANAGER'S ADDRESS) \*\*\***

- 5.5.4 Upon receipt of CONTRACTOR's monthly invoice, Finance shall forward the invoice to the Program Manager, or designee, for review and approval. The Program Manager, or designee, shall review the detailed charges to ensure charges are in accordance with the Agreement terms and that invoiced services have been received.
- 5.5.5 Upon approval of the monthly invoice, the Program Manager, or designee, shall forward the invoice to Finance for payment.
- 5.5.6 Payment to CONTRACTOR will be made in arrears on a monthly basis for services performed, provided that the CONTRACTOR is not in default under any provision of this Agreement. COUNTY shall attempt to authorize payment within thirty (30) days following receipt of invoice, provided that all work performed during the preceding month has been reviewed, accepted, signed and dated by the Program Manager or designee. COUNTY has no obligation to pay for any work except those services expressly authorized by this Agreement.
- 5.5.7 In compliance with Internal Revenue Service (IRS) requirements, CONTRACTOR shall provide CONTRACTOR's Tax Identification Number.
- 5.5.8 CONTRACTOR is responsible for the accuracy of invoices submitted to COUNTY. Further, it is the responsibility of CONTRACTOR to reconcile or otherwise correct inaccuracies or inconsistencies in the invoices submitted by CONTRACTOR and to notify COUNTY of any overpayments received by CONTRACTOR. Overpayment received by CONTRACTOR, as determined by Program Manager, or designee, shall be returned to COUNTY by CONTRACTOR within thirty (30) days of receiving notification of such overpayment from the COUNTY, or may be set off at COUNTY's election against future payments due CONTRACTOR. Notwithstanding any other provision of this Agreement, CONTRACTOR shall return to COUNTY any and all payments which exceed the Maximum Contract Sum. Furthermore, CONTRACTOR shall return said payments within thirty (30) days of receiving notification of overpayment from the COUNTY or immediately upon discovering such overpayment, whichever date is earlier.
- 5.5.9 CONTRACTOR shall not be paid for expenditures beyond the Maximum Contract Sum, and CONTRACTOR agrees that COUNTY has no obligation, whatsoever, to pay for any expenditures by CONTRACTOR that exceed the Maximum Contract Sum.
- 5.5.10 CONTRACTOR shall notify COUNTY, in the manner set forth in Sections 5.0, Payment and Invoices, and 11.0, Notices, of this Agreement, when expenditures under this Agreement total seventy-five (75%) of the Maximum Contract Sum. Furthermore, CONTRACTOR shall notify COUNTY, in the manner set forth in Sections 5.0, Payments and Invoices, and 11.0, Notices, of this Agreement, when this Agreement is within six (6) months of expiration. CONTRACTOR shall send these notices to those persons and addresses which are set forth in Sections 5.0, Payments and Invoices, and 11.0, Notices.
- 5.5.11 CONTRACTOR shall have no claim against COUNTY for payment of any money or reimbursement, of any kind whatsoever, for any service provided by CONTRACTOR after the expiration or other termination of this Agreement. Should CONTRACTOR receive any such payment it shall immediately notify COUNTY and shall immediately repay all such funds to COUNTY. Payment by COUNTY for services rendered after

expiration/termination of this Agreement shall not constitute a waiver of COUNTY's right to recover such payment from CONTRACTOR. This provision shall survive the expiration or other termination of this Agreement.

**DEPARTMENT OF MENTAL HEALTH:**

**The following language *replaces* the language in the Sample County Contract, 5.0.**

**5.0 FINANCIAL PROVISIONS ~~[CONTRACT SUM]~~:**

**A. General:** This Agreement provides for reimbursement as provided in this Paragraph 4 (FINANCIAL PROVISIONS), Subsection 1 of Subparagraph L (1) (Payment) and as shown on the Financial Page(s). The Contractor will comply with all requirements necessary for reimbursement as established by Federal, State and local statutes, laws, ordinances, rules, regulations, manuals, policies, guidelines and directives. Under no circumstances can the total Maximum Contract Amount of this Agreement be increased or decreased without a properly executed amendment.

(1) **Capitated Rate:** A fixed amount, including all revenue, interest and return, per enrolled individual/member paid monthly to Contractor for providing comprehensive mental health services/activities as required in that period for the covered individuals/members. All fees paid by or paid on behalf of an enrolled individual/member receiving services/activities hereunder and all other revenue, interest and return resulting from services/activities and/or funds hereunder shall be deducted from the Capitated Rate.

(2) **Cost Reimbursement:** County agrees to reimburse Contractor during the term of this Agreement for the actual and allowable costs, less all fees paid by or on behalf of patients/clients receiving services/activities hereunder and all other revenue, interest and return resulting from services/activities and/or funds paid by County to Contractor hereunder but not to exceed the Maximum Reimbursable Amount per visit as shown on the Financial Summary and the maximum number of allowable visits stipulated in the Fee-For-Service Medi-Cal Specialty Mental Health Services Provider Manual when Contractor is providing mental health services, specialty mental health services, and/or Title XIX Medi-Cal Administrative Activities hereunder in accordance with WIC Sections 5704, 5707, 5709, 5710, 5714, 5716, 5717, 5718, 5719, 5720, 5721, 5723, and 14132.44; CCR Titles 9 and 22; SDMH Policy Letters; CR/DC Manual; RO/TCM Manual; DMH policies and procedures; and all other applicable Federal, State, and local laws, ordinances, rules, regulations manuals, guidelines, and directives.

(3) **EPSDT:** County agrees to reimburse Contractor during the term of this Agreement for providing EPSDT mental health services/activities over the State established baseline in accordance with Federal and State laws and regulations. Baseline increases imposed by the State will be imposed on the Contractor in like percentages. EPSDT funds are part of the Maximum Contract Amount(s) of this Agreement and shall be paid by County to Contractor solely in County's capacity as the EPSDT claim intermediary between the Contractor and the State.

Notwithstanding any other provision of this Agreement, in the event that Contractor provides EPSDT services reimbursable under the State's EPSDT mandate claim process, in excess of the Contractor's Fiscal Year base of \$\_, Contractor shall be paid by County from EPSDT funds upon receipt from the State. The CGF allocated on the Financial Summary Page for EPSDT baseline services is designated solely for EPSDT eligible services and no CGF in this category shall be transferred to any other category on said Financial Summary Page. In the event that EPSDT funds are not available to pay EPSDT claims or that State denies any or all of the EPSDT claims submitted by

County on behalf of Contractor, Contractor shall indemnify and hold harmless County for any and all liability for payment of any or all of the denied EPSDT claims or for the unavailability of EPSDT funds to pay for EPSDT claims. Contractor shall be solely liable and responsible for all data and information submitted by Contractor to County in support of all claims for EPSDT funds submitted by County as the fiscal intermediary.

- (4) **IMD:** County agrees to reimburse Contractor during the term of this Agreement for providing IMD mental health services/activities in accordance with State laws and regulations.
- (5) **Negotiated Rate:** County agrees to reimburse Contractor during the term of this Agreement for providing mental health services, hereunder in accordance with WIC Sections 5704, 5705, 5707, 5709, 5710, 5714, 5716, 5717, 5718, 5719, 5720, 5721, 5723, and 14132.44; CCR Titles 9 and 22; SDMH Policy Letters; CR/DC Manual; RO/TCM Manual; DMH policies and procedures; and all other applicable Federal, State, and local laws, ordinances, rules, regulations, manuals, guidelines, and directives. Except for Title XIX Medi-Cal Administrative Activities, reimbursement shall be at the Negotiated Rate(s), as mutually agreed upon between County and Contractor and approved by SDMH (for any NR funded in whole or in part by Title XIX Short-Doyle/Medi-Cal and/or State funds) and as shown on the Financial Summary less all fees paid by or on behalf of patients/clients receiving services hereunder and all other revenue, interest and return resulting from services/activities and/or funds paid by County to Contractor hereunder.

**B. Reimbursement For Initial Period:** The Maximum Contract Amount for the Initial Period of this Agreement as described in Paragraph 1 (TERM) shall not exceed \_\_\_\_\_ DOLLARS (\$\_\_\_\_) and shall consist of County, State, and/or Federal funds as shown on the Financial Summary. This Maximum Contract Amount includes Cash Flow Advance which is repayable through cash and/or appropriate SFC units and/or actual and allowable costs as authorized by other provisions of this Agreement. Notwithstanding any other provision of this Agreement, in no event shall County pay Contractor more than this Maximum Contract Amount for Contractor's performance hereunder during the Initial Period.

**C. Reimbursement If Agreement Is Automatically Renewed:**

- (1) **Reimbursement For First Automatic Renewal Period:** The Maximum Contract Amount for the First Automatic Renewal Period of this Agreement as described in Paragraph 1 (TERM) shall not exceed \_\_\_\_\_ DOLLARS (\$\_\_\_\_\_) and shall consist of County, State, and/or Federal funds as shown on the Financial Summary. This Maximum Contract Amount includes the Cash Flow Advance which is repayable through cash and/or appropriate SFC units and/or actual and allowable costs as authorized by other provisions of this Agreement. Notwithstanding any other provision of this Agreement, in no event shall County pay Contractor more than this Maximum Contract Amount for Contractor's performance hereunder during the First Automatic Renewal Period.
- (2) **Reimbursement For Second Automatic Renewal Period:** The Maximum Contract Amount for the Second Automatic Renewal Period of this Agreement as described in Paragraph 1 (TERM) shall not exceed \_\_\_\_\_ DOLLARS (\$\_\_\_\_\_) and shall consist of County, State, and/or Federal (excluding Medicare Partial Hospitalization services) funds as shown in the applicable Financial Exhibit column(s) which are identified on the Financial Summary. This Maximum Contract Amount includes the Cash Flow Advance which is repayable through cash and/or appropriate SFC units and/or actual and allowable costs as authorized by other provisions of this Agreement. Notwithstanding any other provision of this Agreement, in no event shall County pay Contractor more than this Maximum Contract Amount for Contractor's performance hereunder during the Second Automatic Renewal Period.



**D. SDMH Approval Of Negotiated Rate(s):**

- (1) Pursuant to WIC Section 5716, SDMH's approval of each NR, which is funded in whole or in part by Federal and/or State funds, shall be obtained prior to the commencement date of this Agreement and prior to the beginning of any subsequent Fiscal Year or portion thereof that this Agreement is in effect. Each such NR shall be effective only upon SDMH approval. If SDMH approval is received after the commencement date of this Agreement or after the beginning of any subsequent Fiscal Year, SDMH approval may be retroactive. If any such NR is disapproved by SDMH for any Fiscal Year or portion thereof, Contractor shall be compensated for all mental health services under this Agreement in accordance with the provisions of WIC Section 5716.
- (2) Contractor understands that any NR funded in whole or in part by Title XIX Short-Doyle/Medi-Cal and/or State funds may include County's share of reimbursement for administrative support costs, including, but not limited to, quality assurance, utilization review, technical assistance, training, cost accounting, contract administration, other direct administrative activities which result because of contracting activities, medications, monitoring, revenue generation, and client data collection. County shall pay Contractor for Contractor's share of reimbursement for any such NR and shall retain County's share of reimbursement to pay for County's associated administrative support costs, if any.

**E. Established Maximum Allowable Rates:**

- (1) Notwithstanding any other provision of this Agreement, County shall not be required to pay Contractor more than the Established Maximum Allowable Rates for applicable Title XIX Short-Doyle/Medi-Cal SFC units. The Established Maximum Allowable Rates shall be those specified in CCR Title 22, as authorized by WIC Section 5720.
- (2) Pursuant to Subparagraph D (SDMH Approval of Negotiated Rate(s)) and this Subparagraph E, the appropriate Established Maximum Allowable Rates in effect during the Initial Period of this Agreement, the First Automatic Renewal Period, or the Second Automatic Renewal Period, shall be applicable to this Agreement when adopted by State.
- (3) The Established Maximum Allowable Rates shall not apply to SFC units which are wholly funded by CGF.

**F. EPSDT Title XIX Medi-Cal Services, Title XIX Short-Doyle/Medi-Cal Services, Title XIX Medi-Cal Administrative Activities, And Title IV-A Emergency Assistance Services:**

- (1) Except as otherwise provided in this Agreement, if Contractor provides EPSDT Title XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities, then Contractor shall be reimbursed by County for the eligible and Federal and State-approved EPSDT Title XIX Medi-Cal SFC units furnished to eligible Medi-Cal beneficiaries; and/or for the eligible and State-approved Title XIX Short-Doyle/Medi-Cal SFC units furnished to eligible Medi-Cal beneficiaries; and/or as determined by the State, for the actual and allowable costs of eligible and State-approved Title XIX Medi-Cal Administrative Activities and/or for the eligible only in arrears and only to the extent of actual EPSDT Title XIX Medi-Cal, and/or Title XIX Short-Doyle/Medi-Cal, and/or Title XIX Medi-Cal Administrative Activities payments made by the Federal and State governments to County for such service and activities.
- (2) Each Fiscal Year of the term of this Agreement, such reimbursement for Title XIX Short-Doyle/Medi-Cal SFC units, and/or for Title XIX Medi-Cal Administrative Activities, shall be made as applicable on the basis of: (1) fifty percent Title XIX Short-Doyle/Medi-Cal services FFP funds and/or fifty percent Title XIX Medi-Cal Administrative Activities FFP funds, and/or fifty percent Specialty Mental Health Services FFP funds which are part of the applicable Maximum Contract Amount of this

Agreement and which are paid by County to Contractor solely in County's capacity as the fiscal intermediary for such Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities, and (2) fifty percent match from funds which are part of the applicable Maximum Contract Amount of this Agreement, and which qualify as eligible FFP match as shown on the Financial Summary.

- (3) Each Fiscal Year of the term of this Agreement, such reimbursement for EPSDT and Specialty Mental Health Services Title XIX Medi-Cal services shall be one hundred percent of the program funds which are part of the applicable Maximum Contract Amount of this Agreement and which are paid by County to Contractor solely in County's capacity as the fiscal intermediary. EPSDT Title XIX Medi-Cal services shall be paid as applicable on the basis of fifty percent EPSDT Title XIX services FFP funds and fifty percent State matching general funds for EPSDT and only when such EPSDT Title XIX services exceed the individual Contractor's EPSDT base line as identified in Paragraph 4 (FINANCIAL PROVISIONS), Subparagraph A(3) (EPSDT).
- (4) Notwithstanding any other provision of this Agreement, if EPSDT Title XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities are provided hereunder, such services and administrative activities shall comply with and be compensated in accordance with all applicable Federal and State reimbursement requirements.
- (5) If EPSDT Title XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities are provided under this Agreement, Contractor authorizes County to serve as the fiscal intermediary for claiming and reimbursement for such EPSDT Title XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities, and to act on Contractor's behalf with SDMH, SDHS and/or SDSS in regard to claiming reimbursement for EPSDT Title XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities, and/or Title IV-A Emergency Assistance services.

Contractor shall be solely liable and responsible for all data and information submitted by Contractor to County in support of all claims for EPSDT Title XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities, submitted by County as the fiscal intermediary to SDMH, SDHS and/or SDSS and for any subsequent State approvals or denials of such claims that may be based on data and information submitted by Contractor. Contractor shall process all EPSDT Title XIX Medi-Cal and/or Title XIX Short-Doyle/Medi-Cal, Explanation of Balance (EOB) or other data within the time frame prescribed by the State and Federal governments. County shall have no liability for Contractor's failure to comply with State and Federal time frames.

Notwithstanding any other provision of this Agreement, Contractor shall hold County harmless from and against any loss to Contractor resulting from any such State denials, unresolved EOB claims, and/or any Federal and/or State audit disallowances for such Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities.

Contractor shall hold County harmless from and against any loss to Contractor resulting from any such State denials, unresolved EOB claims, and/or any Federal and/or State audit disallowances for such EPSDT Title XIX Medi-Cal services.

- (6) Notwithstanding any other provision of this Agreement, Contractor shall be totally liable and responsible for: (1) the accuracy of all data and information on all claims for EPSDT Title XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal services which Contractor inputs into MIS, (2) the accuracy of all data and information which Contractor provides to DMH, and (3) ensuring that all EPSDT Title

XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities, are performed appropriately within Medi-Cal guidelines, including, but not limited to, administration, utilization review, documentation, and staffing.

- (7) As the State designated Short-Doyle/Medi-Cal fiscal intermediary, County shall submit a claim to SDMH for EPSDT Title XIX Medi-Cal, and/or Title XIX Short-Doyle/Medi-Cal reimbursement only for those services entered by Contractor into MIS which are identified by Contractor as "Y". The "Y" means that the service provided is to be claimed by County to Short-Doyle/Medi-Cal. Contractor shall comply with all written instructions from County and/or State regarding EPSDT Title XIX Medi-Cal, and/or Title XIX Short-Doyle/Medi-Cal claiming and documentation.

Contractor shall maintain an audit file documenting all EPSDT Title XIX Medi-Cal, and/or Title XIX Short-Doyle/Medi-Cal services as instructed by County for a period of seven years from the end of the Fiscal Year in which such services were provided or until final resolution of any audits, whichever occurs later.

- (8) County is the State designated fiscal intermediary for EPSDT Title XIX Medi-Cal services, and Title XIX Short-Doyle/Medi-Cal services, and Title XIX Medi-Cal Administrative Activities. Contractor shall comply with all written instructions from County regarding any such Title XIX and documentation. Contractor shall certify in writing that all necessary Title XIX documentation exists at the time any such claims for EPSDT Title XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities, are submitted by Contractor to County.

Contractor shall maintain all records, including, but not limited to, all time studies prepared by Contractor, documenting all EPSDT Title XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities, as instructed by County for a period of seven years from the end of the quarter in which such services were provided or until final resolution of any audits, whichever occurs later.

- (9) County may modify the claiming systems for either EPSDT Title XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities, at any time in order to comply with changes in, or interpretations of, State or Federal laws, rules, regulations, manuals, guidelines, and directives. When possible, County shall notify Contractor in writing of any such modification and the reason for the modification thirty days prior to the implementation of the modification.

- (10) EPSDT Title XIX Medi-Cal and Title XIX Short-Doyle/Medi-Cal Reconciliation Report: Prior to fourteen and one-half months after the close of each Fiscal Year, Contractor shall provide DMH with two copies of an accurate and complete EPSDT Title XIX Medi-Cal and Title XIX Short-Doyle/Medi-Cal Reconciliation Report at the legal entity level for each of Contractor's Short-Doyle/Medi-Cal provider numbers which are part of the legal entity, for all EPSDT Title XIX Medi-Cal, and/or Title XIX Short-Doyle/Medi-Cal SFC units furnished and State-approved during the applicable Fiscal Year. Each such EPSDT Title XIX Medi-Cal and Title XIX Short-Doyle/Medi-Cal Reconciliation Report shall be prepared by Contractor in accordance with all SDMH instructions and shall be certified in writing by Contractor's Chief Executive Officer. If Contractor does not so provide DMH with the EPSDT Title XIX Medi-Cal and Title XIX Short-Doyle/Medi-Cal Reconciliation Report within such fourteen and one-half months, then Director, in his sole discretion, shall determine which State approved EPSDT Medi-Cal, and/or Short-Doyle/Medi-Cal data shall be used by County for completion of the EPSDT Title XIX Medi-Cal and Title XIX Short-Doyle/Medi-Cal Reconciliation Report.

- (11) EPSDT Title XIX Medi-Cal Services, Title XIX Short-Doyle/Medi-Cal Services, Title IX Medi-Cal Administrative Activities Overpayment Recovery Procedures: Contractor shall repay to County the amount, if any, paid by County to Contractor for EPSDT Title XIX Medi-Cal services, and Title XIX Short-Doyle/Medi-Cal services, and Title XIX Medi-Cal Administrative Activities which are found by County, State, and/or Federal governments not to be reimbursable.

For Federal audit exceptions, Federal audit appeal processes shall be followed. County recovery of Federal overpayment shall be made in accordance with all applicable Federal laws, regulations, manuals, guidelines, and directives.

For State audit exceptions, County shall immediately recover any overpayment from Contractor when the State recovers the overpayment from County.

For County audit exceptions, County shall immediately recover the overpayment from Contractor 30 days from the date of the applicable audit determination by Director.

Contractor shall pay County according to the method described in Subparagraph U (Payments Due to County/Method of Payment).

**G. Funding Sources:**

- (1) County, State, and/or Federal funds shall be limited to and shall not exceed the respective amounts shown on the Financial Summary. County funds include the portion of Cash Flow Advance and is repayable through cash, and/or County SFC units, and/or approved EPSDT Title XIX Medi-Cal units of service, approved Title XIX Short-Doyle/Medi-Cal SFC units, and/or approved Title XIX Medi-Cal Administrative Activities units of activities.
- (2) The reimbursement method of payment for the respective County, State and/or Federal funding source(s) is shown on the Financial Summary.
- (3) The combined CGF and any other funding sources shown on the Financial Summary as funds to be disbursed by County shall not total more than the Maximum Contract Amount for the applicable period of the Agreement term as specified in Subparagraphs B (Reimbursement For Initial Period) and C (Reimbursement If Agreement Is Automatically Renewed).
- (4) County funds include Cash Flow Advance which is repayable through cash and/or County SFC units, and/or approved EPSDT Title XIX Medi-Cal SFC units, and/or approved Title XIX Short-Doyle/Medi-Cal SFC units, and/or approved Title XIX Medi-Cal Administrative Activities units of activities.

Notwithstanding any other provision of this Agreement, EPSDT Title XIX Medi-Cal, FFP funds shall be paid by County to Contractor solely in County's capacity as the fiscal intermediary for EPSDT Title XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities.. In no event shall County be liable or responsible to Contractor for any payment for any disallowed EPSDT Title XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities.

EPSDT Title XIX Medi-Cal and FFP funds shall be subject to all applicable Federal and State laws, rules, regulations, manuals, guidelines, and directives.

- (5) To the extent permitted by Federal law, certain funds, as designated on the Financial Summary, may be used to match the FFP component of reimbursement for Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities, and/or Title IV-A Emergency Assistance services in order to achieve the maximum

Federal reimbursement possible for mental health services and administrative activities provided under this Agreement.

**H. Government Funding Restrictions:** This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State, including, but not limited to, those contained in State's Budget Act, which may in any way affect the provisions or funding of this Agreement. This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal government which may in any way affect the provisions or funding of this Agreement.

**I. Patient/Client Eligibility, UMDAP Fees, Third Party Revenue, And Interest:**

- (1) Contractor shall comply with all County, State, and Federal requirements and procedures, as described in WIC Sections 5709, 5710 and 5721, relating to: (1) the determination and collection of patient/client fees for services hereunder based on UMDAP and DMH's Revenue Manual, (2) the eligibility of patients/clients for Short-Doyle/Medi-Cal, Medicare, private insurance, or other third party revenue, and (3) the collection, reporting and deduction of all patient/client and other revenue for patients/clients receiving services hereunder. Contractor shall vigorously pursue and report collection of all patient/client and other revenue.
- (2) All fees paid by patients/clients receiving services under this Agreement and all fees paid on behalf of patients/clients receiving services hereunder shall be utilized by Contractor only for the delivery of mental health service units specified in this Agreement.
- (3) If Contractor provides Title XIX Medi-Cal Administrative Activities funded by Title XIX pursuant to WIC Section 14132.44 as described in Paragraph 3 (DESCRIPTION OF SERVICES), , then Contractor shall assure that FFP reimbursement for such Title XIX Medi-Cal Administrative Activities shall be utilized by Contractor only for the provision of Title XIX Medi-Cal Administrative Activities.
- (4) Contractor may retain unanticipated revenue, which is not shown in Contractor's Negotiation Package for this Agreement, for a maximum period of one Fiscal Year, provided that the unanticipated revenue is utilized for the delivery of mental health service units specified in this Agreement. Contractor shall report the mental health services funded by this unanticipated revenue in the Annual Cost Report submitted by Contractor to County. The Annual Cost Report shall be prepared as instructed by State and County.
- (5) Contractor shall not retain any fees paid by any resources for or on behalf of Medi-Cal beneficiaries without having those fees deducted from the cost of providing the mental health service/units specified in this Agreement.
- (6) Contractor may retain any interest and/or return which may be received, earned or collected from any funds paid by County to Contractor, provided that Contractor shall utilize all such interest and return only for the delivery of mental health service units specified in this Agreement.
- (7) Failure of Contractor to report in all its monthly claims and in its Annual Cost Report all fees paid by patients/clients receiving services hereunder, all fees paid on behalf of patients/clients receiving services hereunder, all fees paid by third parties on behalf of Medi-Cal beneficiaries and/or Title IV-A Emergency Assistance recipients receiving services and/or activities hereunder, all unanticipated revenue not shown in Contractor's Negotiation Package for this Agreement, and all interest and return on funds paid by County to Contractor, shall result in: (1) Contractor's submission of a revised claim statement showing all such nonreported revenue, (2) a report by County to SDMH of all such nonreported revenue, (3) a report by County to the Federal Health



Care Financing Administration (HCFA) should any such unreported revenue be paid by any resources for or on behalf of Medi-Cal beneficiaries and/or Title IV-A Emergency Assistance recipients, and/or (4) any appropriate financial adjustment to Contractor's reimbursement.

**J. Payment:**

- (1) For each month of the term of this Agreement, Contractor shall submit to County a claim for each applicable row (payer funding source) identified on the Financial Summary and Rate Schedule, in the form and content specified by County. Each monthly claim shall be submitted within sixty days of Contractor's receipt of County's MIS reports for the last date mental health services were provided during the particular month, and within sixty days of the last date Title XIX Medi-Cal Administrative Activities were provided during the particular month.
  - a. Capitated Rate: Contractor's monthly claim to County shall show all Contractor's enrolled individuals/members covered by the Capitated Rate Program and all other revenue, interest and return resulting from services/activities and/or funds paid by County to Contractor hereunder for the particular month.
  - b. Cost Reimbursement: Contractor's monthly claim to County shall show all Contractor's actual and allowable costs and all other revenue, interest and return resulting from services/activities and/or funds paid by County to Contractor hereunder for the particular month. The County may make provisional reimbursement, subject to final settlement to cost. All provisional reimbursement shall be based upon specialty mental health services actually provided as shown on County's Claims Systems reports. Contractor certifies that all units of service claimed by Contractor on a provisional reimbursement basis are true and accurate claims for reimbursement.
  - c. For IMDs Only: Those Institutions for Mental Disease which are licensed as Skilled Nursing Facilities (SNF) by SDHS are, thereby, entitled by law to the rates established by SDHS for Skilled Nursing Facilities. The IMD rate consists of a basic SNF rate and a STP rate, or a MHRC rate. Contractor's monthly claim to County shall be for those patient days that have been approved in writing by the County and shall be separately itemized by each patient day. Claims shall be submitted to County within 30 days of the end of the billing period. Monthly claims shall be reviewed and approved by County.
  - d. Negotiated Rate: Contractor's monthly claim to County shall be separately itemized by each SFC to show the payment calculation for each SFC by multiplying the SFC units as shown on MIS reports by the applicable NR for such SFC as shown on the Financial Summary, except that for PATH and SAMHSA services, Contractor's monthly claim shall show Contractor's actual and allowable costs, less all fees paid by or on behalf of patients/clients receiving services hereunder and all other revenue, interest and return resulting from services/activities and/or funds paid by County to Contractor hereunder.
    - i. DMH shall have the option to deny payment for services when documentation of clinical work does not meet minimum State and County standards.
    - ii. Final reimbursement to Contractor shall not exceed the listed rates as shown on the Financial Summary. Provisional reimbursement to contractor shall be at the State established Title XXII rates for CPT codes. At cost report, provisional reimbursement will be adjusted to State approved Negotiated Rates not to exceed the rates shown on the Financial Summary and shall be considered payment in full, subject to

third party liability and beneficiary share of cost, for the specialty mental health services provided to a beneficiary. Reimbursement shall be made only for State approved Short-Doyle/Medi-Cal claims and to the extent that funds allocated by State for County specifically for these services are available.

- iii. For Organizational Providers only. Provisional reimbursement shall be based on the rates shown on the Provisional Rate Schedule(s) as published and periodically revised as supplements to the Los Angeles County DMH Fee-For-Service Medi-Cal Specialty Mental Health Services Provider Manual by the DMH, Office of Managed Care and distributed to DMH Organizational Providers and to the Los Angeles County DMH Contracts Development and Administration Division.

Further, Contractor agrees to hold harmless both the State and beneficiary in the event County cannot or will not pay for services performed by Contractor pursuant to this Agreement.

- (2) On the basis of this monthly claim and after Director's review and approval of the monthly claim, Contractor shall receive from County payment of Contractor's claimed amount for NR services, actual and allowable costs for all cost reimbursed services and activities, and claimed amount for Capitated Rate, less all revenue, interest and return resulting from services/activities and/or funds paid by County to Contractor hereunder, including, but not limited to, all Medicare, patient/client fees, private insurance, and any other revenue, interest and return as described in Subsection 7 of Subparagraph K (Patient/Client Eligibility, UMDAP Fees, Third Party Revenue, and Interest).

The monthly claim and subsequent payment shall be made in accordance with County policies and procedures. If a claim is not submitted as required by County, then payment shall be withheld until County is in receipt of a complete and correct claim and such claim has been reviewed and approved by Director.

If Contractor has received any Cash Flow Advance pursuant to Subparagraph M (Cash Flow Advances In Expectation of Services/Activities To Be Rendered), then Director may, in his discretion, at any time, make adjustments to any of Contractor's monthly claims as necessary to ensure that Contractor shall not be paid by County a sum in excess of the amount determined by multiplying the SFC units as shown on MIS reports by the applicable NR for such SFC as shown on the Financial Summary for NR services and/or Contractor's actual and allowable costs of providing mental health services and Title XIX Medi-Cal Administrative Activities and/or a sum in excess of the amount determined by multiplying the Capitated Rate by the applicable enrolled individuals/members for Capitated Rate Contractors, or the Maximum Contract Amount for such Fiscal Year as shown in Subparagraphs B (Reimbursement for Initial Period) or C (Reimbursement If Agreement Is Automatically Renewed), whichever is less, less all revenue, interest and return resulting from services/activities and/or funds paid by County to Contractor hereunder. Contractor may request in writing, and shall receive if requested, DMH's computations for determining any adjustment to Contractor's monthly claim.

- (3) All monthly claims shall be subject to adjustment based upon the MIS reports, EOB data, and/or Contractor's Annual Cost Report which shall supersede and take precedence over all claims.
- (4) All monthly claims shall be based on mental health services actually provided as shown on MIS reports and/or Title XIX Medi-Cal Administrative Activities actually provided as shown by State-approved time studies prepared or actual and allowable costs for State approved units of activities reported by Contractor. Contractor certifies

that all units of services reported by Contractor into MIS are true and accurate claims for reimbursement.

- (5) EPSDT Title XIX Medi-Cal funds, and Title XIX Short-Doyle/Medi-Cal FFP funds shall be paid by County to Contractor only for State approved claims for EPSDT Title XIX Medi-Cal and/or Title XIX Short-Doyle/Medi-Cal SFC units provided to eligible Medi-Cal beneficiaries. EPSDT Title XIX Medi-Cal funds, and Title XIX Short-Doyle/Medi-Cal FFP funds shall be paid by County to Contractor only in arrears, only for the period of time Contractor is certified as a Title XIX Short-Doyle/Medi-Cal provider, only to the extent that eligible FFP matching funds are available under this Agreement, and only after County has received EPSDT and FFP payment from State.
- (6) Title XIX Medi-Cal Administrative Activities FFP funds shall be paid by County to Contractor only for State approved claims for Title XIX Medi-Cal Administrative Activities based on time studies prepared or actual and allowable costs for units of activities reported by Contractor. Title XIX Medi-Cal Administrative Activities FFP funds shall be paid by County to Contractor only in arrears and only if Contractor is authorized as a Title XIX Medi-Cal Administrative Activities provider, only to the extent that eligible FFP matching funds are available under this Agreement, and only after County has received FFP payment from State.
- (7) EPSDT and FFP funds shall be paid by County to Contractor solely in County's capacity as the fiscal intermediary for EPSDT Title XIX Medi-Cal services, Title XIX Short-Doyle/Medi-Cal services, Title XIX Medi-Cal Administrative Activities.. Each Fiscal Year of the term of this Agreement, County shall pay to Contractor FFP funds only to the extent that the applicable Maximum Contract Amount has eligible State and/or local funds which qualify as the match to FFP, as required by Federal and/or State laws, regulations, manuals, guidelines, and directives.
- (8) EPSDT Title XIX Medi-Cal services funds, Title XIX Short-Doyle/Medi-Cal services FFP funds, Title XIX Medi-Cal Administrative Activities FFP funds, shall be paid by County to Contractor solely in County's capacity as the fiscal intermediary for EPSDT Title XIX Medi-Cal services, Title XIX Short-Doyle/Medi-Cal services, Title XIX Medi-Cal Administrative Activities. Each Fiscal Year of the term of this Agreement, County shall pay to Contractor EPSDT Title XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities, funds only to the extent required by Federal laws, regulations, manuals, guidelines, and directives.
- (9) Notwithstanding any other provision of this Agreement, in the event that Contractor provides EPSDT Title XIX Medi-Cal services pursuant to the EPSDT provisions of this Agreement in excess of Contractor's EPSDT baseline as identified in Paragraph 4 (FINANCIAL PROVISIONS), Subparagraph A (3) (EPSDT) as calculated with SDMH service approval data, and County does not meet the Fiscal Year 1994-95 base as adjusted by the State, Contractor shall be paid by County from a CGF risk reserve pool established for this purpose. The CGF risk reserve pool funds shall be maintained in accordance with County policies and procedures and shall be for the SDMH general fund portion of the individual Contractor's EPSDT approved services.
- (10) County pays any EPSDT-SGF (Early and Periodic Screening, Diagnosis, and Treatment--State General Funds) local matching funds in excess of the EPSDT baseline as identified in Paragraph 4 (FINANCIAL PROVISIONS), Subparagraph A (3) (EPSDT) and Medi-Cal Federal Financial Participation Funds (FFP) to Contractor solely in County's capacity as the EPSDT-SGF and FFP intermediary between the Contractor and the State. Solely to assist the County in expeditiously processing and initially paying Contractor (because of the internal accounting necessity for appropriation authority) for such claims for payment pending reimbursement from the state, the Maximum Contract Amount(s) of this Agreement



shall include EPSDT-SGF and/or FFP. This will establish legal authorization by the Board of Supervisors to make expenditures for the services and/or activities identified on the Financial Summary and Service Exhibit(s) of this Agreement, pending reimbursement by the state. To the extent Contractor exceeds the EPSDT-SGF and/or FFP amount(s) included in this Agreement, such excess will be paid to Contractor only upon Contract Amendment approved by the Board of Supervisors, or from an Appropriation Account set up to record the Board's specific authorization to spend EPSDT-SGF and FFP in excess of the Maximum Contract Amount(s).

Contractor understands and agrees that County's assistance in processing and, as an intermediary for the State and Federal governments, initially paying for EPSDT-SGF and FFP in accordance with the above is subject to reimbursement from the State and does not render County in any way responsible for the substantive obligation to be ultimately fiscally responsible for payment for Contractor's claims for payment for these services. Contractor's entitlement to payment for such services, or claimed services, is entirely dependent upon compliance with the law and regulations related to same. In the event of a dispute regarding entitlement for payment, Contractor agrees that County is not liable for payment for such claims and will not pursue any such claims for payment against County.

- K. Cash Flow Advance In Expectation of Services/Activities To Be Rendered:** For each month of each fiscal year, County will reimburse Contractor based upon the County and/or State and/or federal government(s) processing of the reimbursement claims for rendered services/activities submitted by Contractor to the County subject to claim edits, and future settlements and audit processes. However, for each month of each fiscal year not to exceed three (3) or five (5) consecutive months, or portion thereof, as described below, and for such month the County and/or State and/or federal government(s) have not made payment, and/or such payment is less than 1/12<sup>th</sup> of the Maximum Contract Amount, Contractor may request in writing from County a monthly County General Fund Cash Flow Advance as herein described.

Cash Flow Advance shall consist of, and shall be payable only from, the Maximum Contract Amount appropriation approved by County's Board of Supervisors for the particular fiscal year in which the costs are to be incurred and upon which the request(s) is (are) based.

Cash Flow Advance is intended to provide cash flow to Contractor pending Contractor's rendering and billing of eligible services/activities, as identified by Paragraph 3, DESCRIPTION OF SERVICES/ACTIVITIES of this Agreement, to the County and/or State and/or federal government(s), and the County and/or State and/or federal government(s) have made payment for such services/activities. Contractor may request each monthly Cash Flow Advance only for such services/activities and only when there is no reimbursement from other public or private sources for such services/activities.

The Cash Flow Advance amount for any particular month will be reduced by County payments of actual reimbursement claims received by County from the Contractor. The County's claims payment process is initiated immediately upon County receipt from Contractor of a reimbursement claim. If such Contractor reimbursement claim is received at any time during either the initial three (3) or two (2) additional consecutive months, the monthly payment to Contractor will include the payment for such actual reimbursement claim thereby reducing the Cash Flow Advance disbursement amount for that particular month.

**Cash Flow Advance is based upon the following:**

- (1) Each month of each fiscal year not to exceed three (3) consecutive months, or portion thereof, that this Agreement is in effect, Contractor may request, separately for each month, in writing from County a monthly County General Fund Cash Flow Advance for any funds which may be part of the Maximum Contract Amount for

such fiscal year as identified on the Financial Summary Page. Contractor shall specify in their request the amount of the monthly Cash Flow Advance not to exceed \$\_\_\_\_\_ per month and the total Cash Flow Advance for the three (3) months shall not exceed \$\_\_\_\_\_. The Cash Flow Advance monthly amount is 1/12<sup>th</sup> of Maximum Contract Amount as identified on the Financial Summary Page, annualized Maximum Contract Amount if a partial year.

- (2) A Contractor providing EPSDT Short-Doyle Medi-Cal services as part of this Agreement, may for two (2) additional consecutive months, or portion thereof, that this Agreement is in effect, request, separately for each month, in writing from County a monthly County General Fund Cash Flow Advance for any FFP and/or EPSDT-SGF funds designated for clients less than 21 years of age which may be part of the Maximum Contract Amount for such fiscal year as shown on the Financial Summary Page. Contractor shall specify in their request the amount of the monthly Cash Flow Advance not to exceed \$\_\_\_\_\_ per month for each of the two (2) additional consecutive months and the total Cash Flow Advance for the two (2) additional consecutive months shall not exceed \$\_\_\_\_\_.

The Cash Flow Advance monthly amount for each of the two (2) consecutive months is:

- i. 1/12<sup>th</sup> of the Maximum Contract Amount for EPSDT-SGF as identified on the Financial Summary Page, annualized Maximum Contract Amount if a partial year plus;
- ii. An amount equal to the 1/12<sup>th</sup> of the Maximum Contract Amount for EPSDT-SGF that is the Cash Flow Advance component for the anticipated FFP financial participation to be provided by the federal government for services provided to EPSDT Medi-Cal beneficiaries.

**Upon receipt of a request, Director, in his sole discretion, shall determine whether to approve the Cash Flow Advance request and, if approved, whether the request is approved in whole or in part.** The time schedules and examples for County claims payment, and the 3 and 5 months Cash Flow Advance disbursement(s) and Contractor repayment of Cash Flow Advance funds to County by means of a County offset to Contractor claims to County are incorporated herein as Attachment V.

County identifies if Contractor's units of service and State FFP & EPSDT-SGF approvals are meeting or exceeding the contracted levels and if not Cash Flow Advance recovery is initiated to ensure Contractor completes repayment of the Cash Flow Advance with units of services by the time the Contractor's fiscal year's twelfth month of claims are received and processed.

Any County and/or State and/or federal government(s) approved Contractor reimbursement claims for eligible services/activities in excess of the actual unpaid Cash Flow Advance County to Contractor will be disbursed in accordance with the terms and conditions of this Agreement.

Should Contractor request and receive Cash Flow Advance, Contractor shall exercise cash management of such Cash Flow Advance in a prudent manner.

- (1) **For IMD, PHF and Mental Health Rehabilitation Center Contractors Only:**  
*The amount of a Cash Flow Advance payment shall be based on 95% of the average daily census for the last two months of the preceding fiscal year.*

- L. Maximum Monthly Payment:** County's Maximum Monthly Payment to Contractor for each monthly claim shall not exceed an amount determined pursuant to County policies and procedures.

The State and FFP funds for State approved claims for EPSDT Title XIX Medi-Cal SFC units claimed by County to State on behalf of the Contractor shall be paid by County to Contractor only in arrears and only after County has received State and FFP payment from State.

The FFP funds for State approved claims for EPSDT Title XIX Medi-Cal SFC units, and/or Title XIX Short-Doyle/Medi-Cal SFC units, and/or Title XIX Medi-Cal Administrative Activities, claimed by County to State on behalf of the Contractor shall be paid by County to Contractor only in arrears and only after County has received FFP payment from State.

In order to recover CGF provided to Contractor as Cash Flow Advance pursuant to this Subparagraph L, or any amounts due to County by Contractor under this Agreement or otherwise, County shall withhold from any amounts due by County to Contractor under this Agreement or otherwise: (1) the FFP and/or EPSDT-SGF portions of total State approved Short-Doyle/Medi-Cal claims Cash Flow Advances that are in excess of a cumulative, for each month actual State approval data has been received, 1/12 of the Maximum Contract Amount and/or (2) the FFP portion of Title XIX Short-Doyle/Medi-Cal for State approved claims for Title XIX Short-Doyle/Medi-Cal SFC units and/or (3) the State and FFP portion of EPSDT Title XIX Medi-Cal for State approved claims for EPSDT Title XIX Medi-Cal SFC units and/or (4) the FFP for Title XIX Medi-Cal Administrative Activities and/or (5) the County, State and Federal portions of SFC units claimed by Contractor in MIS for non-Title XIX Medi-Cal Contractor may request in writing, and shall receive if requested, DMH's computations for determining any amounts withheld.

**M. Withholding Of Payment For Nonsubmission Of MIS And Other Information:** County may withhold a maximum of ten percent of any monthly claim, if any MIS data, EOB data, RGMS report, or other information is not submitted by Contractor to County within the time limits of submission of this Agreement or if any MIS data, EOB data, RGMS report, or other information is incomplete, incorrect, or is not completed in accordance with the requirements of this Agreement. County shall give Contractor at least 15 working days written notice of its intention to withhold payments hereunder, including the reason(s) for its intended action. Thereafter, Contractor shall have 15 days either to correct any deficiencies, or to request reconsideration of the decision to withhold payment. Payment to Contractor shall not be withheld pending the correction of deficiencies, or if reconsideration is requested, pending the results of the reconsideration process.

**N. Annual Cost Reports:**

- (1) For each Fiscal Year or portion thereof that this Agreement is in effect, Contractor shall provide DMH with two copies of an accurate and complete Annual Cost Report, with a statement of expenses and revenue. The annual cost report will be comprised of a separate set of forms for the County and State the Financial Summary within each entity. Such reports will be due within seventy-five days following either the end of such Fiscal Year or the expiration or termination date of this Agreement, whichever occurs earlier. Each such Annual Cost Report shall be prepared by Contractor in accordance with the requirements set forth in the Short-Doyle/Medi-Cal Automated Cost Reporting System.
- (2) Users Manual, CR/DC Manual, RO/TCM Manual, and any other written guidelines which shall be provided to Contractor by Director by June 30 of the Fiscal Year for which the Annual Cost Report is to be prepared.
- (3) If Contractor fails to submit accurate and complete Annual Cost Report(s) by such due date, and if this Agreement is automatically renewed as provided in Paragraph 1 (TERM), then County shall not make any further payments to Contractor under this Agreement until the accurate and complete Annual Cost Report(s) is (are) submitted.
- (4) Failure of Contractor to submit accurate and complete Annual Cost Report(s) by such due date shall result in a Late Penalty of ONE HUNDRED DOLLARS (\$100) for each

day that the accurate and complete Annual Cost Report(s) is (are) not submitted. The Late Penalty shall be assessed separately on each outstanding Annual Cost Report. The Late Penalty shall commence on the seventy-sixth day following either the end of the applicable Fiscal Year or the expiration or termination date of this Agreement and shall continue thereafter up to the one hundred and fifth day.

In the event that Contractor does not submit accurate and complete Annual Cost Report(s) by the one hundred and fifth day, then all amounts covered by the outstanding Annual Cost Report(s) and paid by County to Contractor in the Fiscal Year for which the Annual Cost Report(s) is (are) outstanding shall be due by Contractor to County. Contractor shall pay County according to the method described in Subparagraph U (Payments Due to County/Method of Payment).

**O. Annual Cost Report Adjustment And Settlement:** Based on the Annual Cost Report(s) submitted pursuant to Subparagraph N (Annual Cost Reports), at the end of each Fiscal Year or portion thereof that this Agreement is in effect, the cost of all mental health services, and Title XIX Medi-Cal Administrative Activities rendered hereunder shall be adjusted as follows:

- (1) Capitated Rate - to the applicable Capitated Rate per enrolled individual/member multiplied by the applicable number of enrolled individuals/members assigned to the Contractor multiplied by the applicable number of months which the enrolled individual/member was assigned to the Contractor less all revenue, interest and return resulting from services/activities and/or funds paid by County to Contractor hereunder, including but not limited to, all Medicare, patient/client fees, private insurance, and any other revenue, interest and return resulting from services/activities and/or funds paid by County to Contractor as described in Subsection 7 of Subparagraph I (Patient/Client Eligibility, UMDAP Fees, Third Party Revenue and Interest), not to exceed the applicable Maximum Contract Amount as shown in Subparagraph B (Reimbursement For Initial Period) or C (Reimbursement If Agreement Is Automatically Renewed), provided that reimbursement for Title XIX Short-Doyle/Medi-Cal funded services shall be consistent with the amounts authorized by State law and State's Medicaid Plan, for Title XIX Medi-Cal Administrative Activities shall be consistent with the amounts authorized by State law and State's Title XIX Medi-Cal Administrative Activities Plan not to exceed the Maximum Contract Amount. Reimbursement for Title XIX Short-Doyle/Medi-Cal services, and Title XIX Medi-Cal Administrative Activities shall not exceed an amount for which there is sufficient CGF/State match funds in the applicable Maximum Contract Amount.
- (2) Cost Reimbursement - to actual and allowable costs, not to exceed the applicable Maximum Contract Amount as shown in Subparagraph B (Reimbursement For Initial Period) or C (Reimbursement If Agreement Is Automatically Renewed), provided that reimbursement for Short-Doyle/Medi-Cal funded services shall be consistent with the amounts authorized by State law and State's Medicaid Plan, and reimbursement for Title XIX Medi-Cal Administrative Activities shall be consistent with the amounts authorized by State law and State's Title XIX Medi-Cal Administrative Activities Plan not to exceed the Maximum Contract Amount. Reimbursement for Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities, shall not exceed an amount for which there is sufficient CGF/State match funds in the applicable Maximum Contract Amount.
- (3) IMD - to the lower of the DMH determined final MIS run of reported patient days or the patient days reported in Contractor's Annual Cost Report, multiplied by the applicable SDHS's currently approved Skilled Nursing Facility Rate per patient day for Basic Service plus SDHS's currently approved STP Rate per patient day for STP Services.
- (4) Negotiated Rate - to the lower of the DMH determined final MIS run of reported SFC units, or the SFC units reported in Contractor's Annual Cost Report, multiplied by the applicable NR less all revenue, interest and return resulting from services/activities

and/or funds paid by County to Contractor, including, but not limited to, all Medicare, patient/client fees, private insurance, and any other revenue, interest and return resulting from services/activities and/or funds paid by County to Contractor as described in Subsection 7 of Subparagraph I (Patient/Client Eligibility, UMDAP Fees, Third Party Revenue, and Interest), not to exceed the applicable Maximum Contract Amount as shown in Subparagraph B (Reimbursement For Initial Period) or C (Reimbursement If Agreement Is Automatically Renewed), provided that reimbursement for Title XIX Short-Doyle/Medi-Cal funded services shall be consistent with the amounts authorized by State law and State's Medicaid Plan, and reimbursement for Title XIX Medi-Cal Administrative Activities shall be consistent with the amounts authorized by State law and State's Title XIX Medi-Cal Administrative Activities Plan not to exceed the Maximum Contract Amount. Reimbursement for Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities, shall not exceed an amount for which there is sufficient CGF/State match funds in the applicable Maximum Contract Amount. In the event that Contractor adjustments based on any of the above methods indicate an amount due the County, Contractor shall pay County according to the method described in Subparagraph U (Payments Due to County/Method of Payment).

**P. Post-Contract Audit Settlement:**

- (1) In the event of a post-contract audit conducted by County, State, and/or Federal personnel, actual and allowable SFC units for NR services and actual and allowable costs for cost reimbursement services shall be determined for each Fiscal Year or portion thereof that this Agreement is in effect. Such audit may include requests to review any fiscal, programmatic, or SFC unit concerns County, State, and/or Federal auditors may have under this Agreement. CR/DC Manual, RO/TCM Manual, SDMH's utilization review policies and procedures, State's Medicaid Plan, State's Title XIX Medi-Cal Administrative Activities Plan, State's Title IV-A Emergency Assistance Plan, and the Federal Health Care Financing Administration's Health Insurance Manual Volume 15 (HIM 15) shall serve as the basic reference and authority for the audit determination of actual and allowable SFC units for mental health services and actual and allowable costs for Title XIX Medi-Cal Administrative Activities and PATH and SAMHSA services. One of the purposes of the audit determination of actual and allowable SFC units is to identify and adjust for duplicated claims; SFC units not provided; SFC units not documented; and utilization review findings, including, but not limited to, unnecessary care and the lack of appropriate licensed practitioners of the healing arts.

- (2) For mental health services, if the post-contract audit conducted by County, State, and/or Federal personnel determines that the amounts paid by County to Contractor for any SFC units furnished hereunder are more than the amounts allowable pursuant to this Agreement, then the difference shall be due by Contractor to County.

For Title XIX Medi-Cal Administrative Activities, if the post-contract audit conducted by County, State, and/or Federal personnel determines that the actual and allowable costs for Title XIX Medi-Cal Administrative Activities furnished hereunder are more than the amounts allowable pursuant to this Agreement, then the difference shall be due by Contractor to County. Contractor shall pay County according to the method described in Subparagraph U (Payments Due to County/Method of Payment).

- (3) For NR and CR services, if the post-contract audit conducted by County, State, and/or Federal personnel determines that the amounts paid by County to Contractor for any NR SFC units furnished hereunder are less than the allowable pursuant to this Agreement and/or CR services, then the difference shall be paid by County to Contractor, provided that in no event shall County's Maximum Contract Amount for the applicable Fiscal Year, as shown in Subparagraph B (Reimbursement For Initial



Period) or C (Reimbursement If Agreement Is Automatically Renewed), be exceeded.

For Title XIX Medi-Cal Administrative Activities, if the post-contract audit conducted by County, State, and/or Federal personnel determines that the actual and allowable costs for Title XIX Medi-Cal Administrative Activities furnished hereunder are less than the amounts reimbursable pursuant to this Agreement, then the difference shall be paid by County to Contractor, provided that in no event shall County's Maximum Contract Amount for the applicable Fiscal Year, as shown in Subparagraph B (Reimbursement For Initial Period) or C (Reimbursement If Agreement Is Automatically Renewed), be exceeded.

**Q. Audit Appeals After Post - Contract Audit Settlement:** If Contractor appeals any audit report, the appeal shall not prevent the post-contract audit settlement pursuant to Subparagraph P (Post-Contract Audit Settlement).

**R. County Audit Settlements:** If, at any time during the term of this Agreement or at any time after the expiration or termination of this Agreement, authorized representatives of County conduct an audit of Contractor regarding the mental health services and/or Title XIX Medi-Cal Administrative Activities provided hereunder and if such audit finds that County's dollar liability for such services and/or administrative activities is less than payments made by County to Contractor, then the difference shall be due by Contractor to County, unless Contractor files an appeal with County, in which case the amount due, if any will be determined upon completion of appeal. Contractor shall pay County according to the method described in Subparagraph U (Payments Due to County/Method of Payment).

If such audit finds that County's dollar liability for such services and/or administrative activities provided hereunder is more than payments made by County to Contractor, then the difference shall be paid to Contractor by County by cash payment, provided that in no event shall County's Maximum Contract Amount for the applicable Fiscal Year, as shown in Subparagraph B (Reimbursement For Initial Period) or C (Reimbursement If Agreement Is Automatically Renewed), be exceeded.

**S. Payments Due To County/Method Of Payment:** Within ten days after written notification by County to Contractor of any amount due by Contractor to County, Contractor shall notify County as to which of the following six payment options Contractor requests be used as the method by which such amount shall be recovered by County. Any such amount shall be: (1) paid in one cash payment by Contractor to County, (2) offset against prior year(s) liability(ies), (3) deducted from future claims over a period not to exceed three months, (4) deducted from any amounts due from County to Contractor whether under this Agreement or otherwise, (5) paid by cash payment(s) by Contractor to County over a period not to exceed three months, or (6) a combination of any or all of the above. If Contractor does not so notify County within such ten days, or if Contractor fails to make payment of any such amount to County as required, then Director, in his sole discretion, shall determine which of the above six payment options shall be used by County for recovery of such amount from Contractor.

**T. Interest Charges On Delinquent Payments:** If Contractor, without good cause as determined in the sole judgment of Director, fails to pay County any amount due to County under this Agreement within sixty days after the due date, as determined by Director, then Director, in his sole discretion and after written notice to Contractor, may assess interest charges at a rate equal to County's Pool Rate, as determined by County's Auditor-Controller, per day on the delinquent amount due commencing on the sixty-first day after the due date. Contractor shall have an opportunity to present to Director information bearing on the issue of whether there is a good cause justification for Contractor's failure to pay County within sixty days after the due date. The interest charges shall be: (1) paid by Contractor to County by cash payment upon demand, and/or (2) at the sole discretion of Director, deducted from any amounts due by County to Contractor whether under this Agreement or otherwise.

- U. **Financial Solvency:** Contractor shall maintain adequate provisions against the risk of insolvency.
- V. **Limitation Of County's Obligation Due To Nonappropriation Of Funds:** Notwithstanding any other provision of this Agreement, County shall not be obligated for Contractor's performance hereunder or by any provision of this Agreement during this or any of County's future fiscal years unless and until County's Board of Supervisors appropriates funds for this Agreement in County's Budget for each such fiscal year. Should County, during this or any subsequent fiscal year impose budgetary restrictions which appropriate less than the amount provided for in Subparagraph B (Reimbursement For Initial Period) and Subparagraph C (Reimbursement If Agreement Is Automatically Renewed) of this Agreement, County shall reduce services under this Agreement consistent with such imposed budgetary reductions. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. County shall notify Contractor of any such changes in allocation of funds at the earliest possible date.
- W. **Contractor Requested Changes:**
- (1) If Contractor desires any change in the terms and conditions of this Agreement, Contractor shall request such change in writing prior to April 1 of the Fiscal Year for which the change would be applicable, and all changes shall be made by an amendment pursuant to Agreement Paragraph 37 (ALTERATION OF TERMS).
  - (2) If Contractor requests to increase or decrease any Maximum Contract Amount, such request and all reports, data, and other information requested by DMH's Contracts Development and Administration Division, shall be received by DMH's Contracts Development and Administration Division for review prior to April 1 of the Fiscal Year in which the increase or decrease has been requested by Contractor.
- X. **Delegated Authority:** Notwithstanding any other provision of this Agreement, County's Department of Mental Health Director may, without further action by County's Board of Supervisors, prepare and sign amendments to this Agreement during the remaining term of this Agreement, under the following conditions:
- (1) County's total payments to Contractor under this Agreement, for each Fiscal Year of the term of this Agreement, shall not exceed or shall not be reduced by more than the Board approved percentage of the applicable Maximum Contract Amount; and
  - (2) Any such increase shall only be used for additional services or to reflect program and/or policy changes that affect this Agreement; and
  - (3) County's Board of Supervisors has appropriated sufficient funds for all changes described in each such amendment to this Agreement; and
  - (4) Approval of County Counsel and the Chief Administrative Officer is obtained prior to any such amendment to this Agreement; and
  - (5) County's Department of Mental Health Director shall notify County's Board of Supervisors and Chief Administrative Officer of all Agreement changes, in writing, within fifteen days following execution of any such amendment(s).
- Y. **CalWORKs Reimbursement:**
- (1) Reimbursement at cost for existing services under this Agreement shall be considered payment in full, subject to third party liability and beneficiary share of costs, for the CalWORKs beneficiaries.

For each month of the term of this Agreement, Contractor shall submit to County a separate claim for CalWORKs services in the form and content specified by County. Each monthly claim shall be submitted within thirty days of Contractor's receipt of County's MIS CalWORKs Service Reports for the last date CalWORKs' mental health services were provided during the particular month. All monthly claims shall be subject to adjustment based upon the MIS reports, EOB data, and/or Contractor's annual Cost Report which shall supersede and take precedence over all claims. No billing changes/adjustments or audits will be allowed after such time.

- (2) Under no circumstances shall Contractor be reimbursed for the provision of CalWORKs services from any funds included in the Cash Flow Loan Exhibit(s).
- (3) In its sole discretion, Director shall have the option to deny payment for services when documentation of clinical work does not meet minimum State and County standards as set forth in the Los Angeles County annotated version of the Rehabilitation Option and Targeted Case Management Manual.
- (4) Reimbursement shall only be made for CalWORKs services to the extent that funds are allocated by DPSS and the State for these services.
- (5) Services to CalWORKs beneficiaries shall be limited to Contractor's existing services as provided in this Agreement.

**Z. CalWORKs Suspension Of Payment:** Payments to Contractor may be suspended if Director, for good cause, determines that Contractor is in default under any of the provisions of this Agreement, or if funds are unavailable from the State or DPSS for payment on CalWORKs claims. At least 30 days notice of such suspension shall be provided to Contractor, including a statement of the reason(s) for such suspension, except in cases of alleged fraud or similar intentional wrongdoing. Thereafter, Contractor may, within 15 days, request reconsideration of Director's decision to suspend payment. Suspension of payment to Contractor shall not take effect pending the results of such reconsideration process.

Director shall immediately notify Contractor upon receiving notification of unavailability of funds from the State or DPSS for payment on CalWORKs claims.

**AA. AB3632 Services Utilizing SB90 Funds:** SB90 funds are part of the Maximum Contract Amount(s) of this Agreement and shall be paid by County to Contractor solely in County's capacity as the SB90 claim intermediary between the Contractor and the State. The CGF allocated on the Financial Summary Page for AB3632 (SB90) services is designated solely for AB3632 services and no CGF in this category shall be transferred to any other category on said Financial Summary Page. County shall make all instructions issued by the State for SB90 claiming available to Contractor.

Notwithstanding any other provision of this Agreement, in the event that Contractor provides AB3632 services reimbursable under the State's SB90 mandate claim process, in excess of the Contractor's Fiscal Year 1997-1998 base of \$\_\_\_\_\_, Contractor shall be paid by County from SB90 funds upon receipt from the State. In the event that SB90 funds are not available to pay SB90 claims or that State denies any or all of the SB90 claims submitted by County on behalf of Contractor, Contractor shall indemnify and hold harmless County for any and all liability for payment of any or all of the denied SB90 claims or for the unavailability of SB90 funds to pay for SB90 claims. Contractor shall be solely liable and responsible for all data and information submitted by Contractor to County in support of all claims for SB90 funds submitted by County as the fiscal intermediary.



- 5.6 Cost of Living Adjustments (COLA's)**  
***COLA's are not required, they are only included if the Department makes the determination to add them. If they are to be included in the contract, the following language should be added:***

The contract (hourly, daily, monthly, etc.) amount may be adjusted annually based on the increase or decrease in the U.S. Department of Labor, Bureau of Labor Statistics' Consumer Price Index (CPI) for the Los Angeles-Riverside-Orange County Area for the most recently published percentage change for the 12-month period preceding the contract anniversary date, which shall be the effective date for any cost of living adjustment. However, any increase shall not exceed the general salary movement granted to County employees as determined by the Chief Administrative Office as of each July 1 for the prior 12-month period. Furthermore, should fiscal circumstances ultimately prevent the Board from approving any increase in County employee salaries, no cost of living adjustments will be granted.

**COMMUNITY AND SENIOR SERVICES:**

**The following language replaces the language in the Sample County Contract, 5.6.**

**5.6 COST OF LIVING ADJUSTMENTS (COLA'S)**

Subject to applicable federal and State law, and to applicable provisions contained in collective bargaining agreements, if any, in effect on the date of execution of this contract, the Contractor agrees to restrict cost-of-living adjustments (COLAs) to its employees during the term of this contract to the lesser of (a) the average salary cost-of-living adjustment granted to County employees by the Board of Supervisors as of April 1<sup>st</sup> of the prior year, or (b) the Consumer Price Index for all Urban Consumers (CPI-U) as originally released by the United States Department of Labor, Bureau of Labor Statistics/Western Region, Los Angeles-Long Beach, Anaheim area. In the event fiscal circumstances ultimately prevent the Board of Supervisors from approving an increase in employee salaries, the Contractor and its employees shall also experience no COLAs.

**6.0 ADMINISTRATION OF CONTRACT – COUNTY**

**COUNTY ADMINISTRATION**

A listing of all County Administration referenced in the following Sub-paragraphs are designated in *Exhibit E*. The County shall notify the Contractor in writing of any change in the names or addresses shown.

**6.1 County's Project Director**

Responsibilities of the County's Project Director include:

- ensuring that the objectives of this Contract are met;
- making changes in the terms and conditions of this Contract in accordance with Sub-paragraph 8.4, Change Notices and Amendments; and
- providing direction to Contractor in the areas relating to County policy, information requirements, and procedural requirements.

**6.2 County's Project Manager**

The responsibilities of the County's Project Manager include:

- meeting with Contractor's Project Manager on a regular basis; and
- inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of Contractor.

The County's Project Manager is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate County in any respect whatsoever.

**PROBATION DEPARTMENT:**

**The following language *replaces* the language in the Sample County Contract, 6.2.**

**6.2 COUNTY'S PROJECT MANAGER**

Responsibilities of the County's Project Manager include but are not limited to:

- ensuring that the objectives of this Contract are met;
- facilitating changes in the terms and conditions of this Contract in accordance with Sub-paragraph \_\_\_\_, Change Notices and Amendments;
- providing direction to Contractor in the areas relating to County policy, information requirements, and procedural requirements;
- meeting with Contractor's Project Manager on a regular basis;
- inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of Contractor;
- overseeing the day-to-day administration of this Contract.

The County's Project Manager is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate County in any respect whatsoever.

**6.3 County's Contract Project Monitor**

The County's Project Monitor is responsible for overseeing the day-to-day administration of this Contract. The Project Monitor reports to the County's Project Manager.

**7.0 ADMINISTRATION OF CONTRACT - CONTRACTOR**

**7.1 Contractor's Project Manager**

7.1.1 Contractor's Project Manager is designated in *Exhibit F*. The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Project Manager.

7.1.2 Contractor's Project Manager shall be responsible for Contractor's day-to-day activities as related to this Contract and shall coordinate with County's Project Manager and Project Monitor on a regular basis.

**PROBATION DEPARTMENT:**

**The following language *replaces* the language in the Sample County Contract, 7.1.**

**7.1 CONTRACTOR PROJECT DIRECTOR**

The CONTRACTOR shall provide its own full time officer or employee as on-site Project Director. The CONTRACTOR'S Project Director for this contract is \_\_\_\_\_. The Project Director or an approved alternate shall be assigned on site when most services are provided and be available by telephone or pager for telephone contact between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, excluding all holidays. The Project Director shall provide overall management and coordination of this contract and shall act as the central point of contact with the Probation Department.

7.1.1 When contract work is being performed at times other than described above, or when the Project Director cannot be present, and with prior approval of the Contract Manager, an equally responsible individual shall be designated to act for the Project

Director.

- 7.1.2 The Project Director shall have full authority to act for the CONTRACTOR on all matters relating to the daily operation of this contract.
- 7.1.3 The Project Director shall be available during normal weekday work hours, 8:00 a.m. to 5:00 p.m., to meet with COUNTY personnel designated by the COUNTY to discuss problem areas.
- 7.1.4 The Project Director must have a minimum of \_\_\_\_ ( ) years demonstrated previous experience within the last \_\_\_\_ ( ) years providing the contacted services.
- 7.1.5 The Project Director and alternate(s) must be able to read, write, speak and understand English.

COUNTY shall have the right to review the qualifications and approve the Project Director and any replacement recommended by CONTRACTOR.

## **7.2 Approval of Contractor's Staff**

County has the absolute right to approve or disapprove all of Contractor's staff performing work hereunder and any proposed changes in Contractor's staff, including, but not limited to, Contractor's Project Manager.

### **PROBATION DEPARTMENT:**

**The following language is in addition to the language in the Sample County Contract, 7.2.**

## **7.2 APPROVAL OF CONTRACTOR'S STAFF**

### **7.2.1 Other Contractor Personnel**

- 7.2.1.1 The CONTRACTOR shall be responsible for providing qualified staff to fulfill the contracted services.
- 7.2.1.2 The CONTRACTOR shall ensure that by the first day of employment, all persons working on this contract shall have signed an acknowledgment form regarding confidentiality that meets the standards of the Probation Department for COUNTY employees having access to confidential criminal offender record information (CORI). CONTRACTOR shall retain the original CORI form and forward a copy to COUNTY Contract Manager within five (5) business days of start of employment. (Refer to Attachment \_\_\_\_\_).
- 7.2.1.3 The CONTRACTOR shall inform COUNTY'S Contract Manager, in writing within ten (10) business days, of any change in CONTRACTOR'S personnel assigned to perform any work on this program.

### **7.2.2 Contractor Employee Acceptability**

The COUNTY reserves the right to preclude the CONTRACTOR from employment or continued employment of any individual. The CONTRACTOR shall be responsible for removing and replacing any employee within twenty-four (24) hours when requested to do so by the COUNTY Contract Manager.

### **7.3 Contractor's Staff Identification**

- 7.3.1 Contractor shall provide all staff assigned to this Contract with a photo identification badge in accordance with County specifications. Specifications may change at the discretion of the County and Contractor will be provided new specifications as required. The format and content of the badge is subject to the County's approval prior to the Contractor implementing the use of the badge. Contractor staff, while on duty or when entering a County facility or its grounds, shall prominently display the photo identification badge on the upper part of the body.
- 7.3.2 Contractor shall notify the County within one business day when staff is terminated from working on this Contract. Contractor is responsible to retrieve and immediately destroy the staff's County photo identification badge at the time of removal from the County Contract.
- 7.3.3 If County requests the removal of Contractor's staff, Contractor is responsible to retrieve and immediately destroy the Contractor's staff's County photo identification badge at the time of removal from working on the Contract.

### **7.4 Background and Security Investigations**

***(Two options are provided for sub-paragraph 7.4.1. The subsequent sub-paragraphs, 7.4.2 through 7.4.4, remain the same.)***

#### *Contract Language Option 1 (When a Live Scan fingerprint clearance is required)*

- 7.4.1 *All Contractor staff performing work under this Contract shall undergo and pass, to the satisfaction of County, a background investigation as a condition of beginning and continuing to work under this Contract. County shall use its discretion in determining the method of background clearance to be used, which may include but not be limited to fingerprinting. The fees associated with obtaining the background information shall be at the expense of the Contractor, regardless if the Contractor's staff passes or fails the background clearance investigation.*

OR

#### *Contract Language Option 2 (When a background clearance is not required or may be Contractor obtained)*

- 7.4.1 *At any time prior to or during term of this Contract, the County may require that all Contractor staff performing work under this Contract undergo and pass, to the satisfaction of County, a background investigation, as a condition of beginning and continuing to work under this Contract. County shall use its discretion in determining the method of background clearance to be used, up to and including a County performed fingerprint security clearance. The fees associated with obtaining the background information shall be at the expense of the Contractor, regardless if the Contractor's staff passes or fails the background clearance investigation.*
- 7.4.2 County may request that Contractor's staff be immediately removed from working on the County Contract at any time during the term of the Contract. County will not provide to Contractor or to Contractor's staff any information obtained through the County conducted background clearance.
- 7.4.3 County may immediately deny or terminate facility access to Contractor's staff who do not pass such investigation(s) to the satisfaction of the County whose background or conduct is incompatible with County facility access, at the sole discretion of the County.
- 7.4.4 Disqualification, if any, of Contractor staff, pursuant to this Sub-paragraph 7.4, shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language replaces the language in the Sample County Contract, 7.4.**

**7.4 BACKGROUND AND SECURITY INVESTIGATION**

- 7.4.1 For the safety and welfare of the children to be served under this Agreement, CONTRACTOR agrees, as permitted by law, to ascertain arrest and conviction records for all current and prospective employees, independent contractors, volunteers or subcontractors who may come in contact with children in the course of their work, volunteer activity or performance of the subcontract and shall maintain such records in the file of each such person.
- 7.4.2 CONTRACTOR shall immediately notify COUNTY of any arrest and/or subsequent conviction, other than for minor traffic offenses, of any employee, independent contractor, volunteer staff or subcontractor who may come in contact with children while providing services under this Agreement when such information becomes known to CONTRACTOR.
- 7.4.3 CONTRACTOR agrees not to engage or continue to engage the services of any person convicted of any crime involving harm to children, or any crime involving conduct inimical to the health, morals, welfare or safety of others, including but not limited to the offenses specified in Health and Safety Code, Section 11590 (offenses requiring registration as a controlled substance offender) and those defined in the following Penal Code Sections or any other existing or future Penal Code sections which address such crimes:

**SECTION – TITLE**

Section 220	Assault with intent to commit mayhem, rape, unlawful sodomy, unlawful oral copulation, rape in concert with another, lascivious acts upon a child, or forcible acts of sexual penetration.
Section 243.4	Sexual battery.
Section 245	Assault with a deadly weapon or force likely to produce great bodily injury.
Section 261.5	Unlawful sexual intercourse with a minor.
Section 264.1	Voluntary acting in concert with another person, by force or violence and against the will of the victim, committed rape, rape of spouse or forcible act of sexual penetration either personally or by aiding and abetting the other person.
Section 272	Causing, encouraging or contributing to delinquency of person under age 18.
Section 273a	Great bodily harm or death to child; endangerment of person or health.
Section 273ab	Assault resulting in death of child under 8 years of age.
Section 273d	Infliction of corporal punishment or injury on child resulting in traumatic condition.
Section 273g	Degrading, immoral or vicious practices in the presence of children.

Section 273.5	Infliction of corporal punishment or injury on spouse, former spouse, cohabitant, former cohabitant or the mother or father of his or her child resulting in traumatic condition.
Section 286	Sodomy.
Section 288	Lewd or lascivious acts upon the body of a child under age 14.
Section 288a	Unlawful oral copulation.
Section 289	Forcible acts of sexual penetration against the victim's will.
Section 290	Sex offenders required to register with the chief of police, sheriff or police of a campus of University of California, California State University or community college.
Section 314	Indecent exposure.
Section 368(b)	Great bodily harm or death to elder or dependent adult; endangerment of person or health of elder or dependent adult.
Section 647 (a) & (d)	Disorderly conduct relating to lewd act/behavior or prostitution.
Section 647.6	Annoyance of or molesting a child under age 18.
Section 667.5(c)	Violent felony.

**PROBATION DEPARTMENT:**

**The following language *replaces* the language in the Sample County Contract, 7.4.**

**7.4 EMPLOYEE CRIMINAL RECORDS AND NOTICES**

CONTRACTOR shall be responsible for the ongoing implementation and monitoring of sub-sections 7.4.1 through 7.4.7. On at least a quarterly basis, CONTRACTOR shall report, in writing, monitoring results to COUNTY, indicating compliance or problem areas. Elements of monitoring report shall receive prior written approval from COUNTY.

- 7.4.1 No personnel employed by the CONTRACTOR for this program having access to probation information or records shall have a criminal conviction record or pending criminal trial unless such information has been fully disclosed and employment of the employee for this program is approved (in writing) by the Probation Department.
- 7.4.2 The COUNTY reserves the right to conduct a background investigation of CONTRACTOR'S prospective employees prior to employment and further reserves the right to conduct a background investigation of CONTRACTOR'S employees at any time and to bar such employees from working on the contract under appropriate circumstances.
- 7.4.3 The COUNTY reserves the right to preclude the CONTRACTOR from employment or continued employment of any individual for this contract service.
- 7.4.4 No personnel employed by the CONTRACTOR for this project shall be on active probation or parole currently or within the last three (3) years.



- 7.4.5 CONTRACTOR and employees of the CONTRACTOR shall be under a continuing obligation to disclose any prior or subsequent criminal conviction record or any pending criminal trial to the Probation Department.
- 7.4.6 The CONTRACTOR shall submit the names of employees to the Contract Manager within five (5) business days of the date of hire. The COUNTY will schedule appointments to conduct background investigation/record checks based on fingerprints of CONTRACTOR'S employees, and further reserves the right to conduct a background investigation of CONTRACTOR'S employees at any time.
- 7.4.7 Because COUNTY is charged by the State for checking the criminal records of CONTRACTOR'S employee, COUNTY will bill CONTRACTOR to recover expense. The current amount is \$32.00 per record check which is subject to change by the State.

## 7.5 Confidentiality

**(any reference to Copyright Assignment would apply to Information Technology Contracts only)**

The Contractor shall maintain the confidentiality of all records obtained from the County under this Contract in accordance with all applicable federal, State or local laws, ordinances, regulations and directives relating to confidentiality.

The Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract. The Contractor shall cause each employee performing services covered by this Contract to sign and adhere to the "Contractor Employee Acknowledgment, Confidentiality, and Copyright Assignment Agreement", Exhibit G1.

The Contractor shall cause each non-employee performing services covered by this Contract to sign and adhere to the "Contractor Non-Employee Acknowledgment, Confidentiality, and Copyright Assignment Agreement", Exhibit G2.

### **COMMUNITY AND SENIOR SERVICES:**

**The following language replaces the language in the Sample County Contract, 7.5.**

## **7.5 PUBLIC RECORDS/CONFIDENTIALITY**

- (a) Contractor shall maintain the confidentiality of any information regarding a Participant(s), and the immediate family of any applicant or Participant that identifies or may be used to identify them and which may be obtained through application forms, interviews, tests, reports from the public agencies or counselors, or any other source. The Contractor shall not divulge such information without the permission of the Participant, except for disclosures required by court process, order, or decree, and except that information which is necessary for purposes related to the performance or evaluation of the Contract may be divulged to parties having responsibilities under the Contract for monitoring or evaluating the services and performances under the Contract and to governmental authorities to the extent necessary for the proper administration of the program.
- (b) The Contractor shall notify the County of any and all requests for release of information at least five (5) business days prior to release of said information. The Contractor shall not release said information without the County's approval.  
**(Program shall add program-specific provisions on public records/confidentiality).**

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language replaces the language in the Sample County Contract, 7.5.**

**7.5 CONFIDENTIALITY**

- 7.5.1 CONTRACTOR shall maintain the confidentiality of all records including, but not limited to, COUNTY records and client records in accordance with all applicable federal, state and local laws, regulations, ordinances and directives regarding confidentiality. CONTRACTOR shall inform all of its officers, employees and agents providing services hereunder of the confidentiality provisions of this Agreement. All employees of CONTRACTOR who have access to confidential records and data must sign and adhere to the attached "Employee Acknowledgment and Confidentiality Agreement", Exhibit **(\*\*INSERT APPROPRIATE EXHIBIT ALPHABET LETTER\*\*)**. CONTRACTOR shall notify COUNTY of any attempt to obtain confidential records through the legal process.
- 7.5.2 CONTRACTOR shall comply with all applicable laws pertaining to confidentiality. This shall include, but is not limited to, the confidentiality provisions of Section 827 and Section 10850 of the California Welfare and Institutions Code and MPP Division 19.

**DEPARTMENT OF PUBLIC SOCIAL SERVICES:**

**The following language replaces the language in the Sample County Contract, 7.5.1 and .2.**

**7.5 CONFIDENTIALITY**

**(Any reference to Copyright Assignment would apply to Information Technology Contracts only.)**

- 7.5.1 The Contractor shall maintain the confidentiality of all records obtained from the County under this Contract in accordance with all applicable federal, State or local laws, ordinances, regulations and directives relating to confidentiality.
- 7.5.2 The Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this contract.
- 7.5.2.1 The Contractor shall cause each employee performing services covered by this Contract to sign and adhere to the "Contractor Employee Acknowledgment Confidentiality, and Copyright Assignment Agreement", Exhibit G-1.
- 7.5.2.2 The Contractor shall cause each non-employee performing services covered by this Contract to sign and adhere to the "Contractor Non-Employee Acknowledgment, Confidentiality, and Copyright Assignment Agreement", Exhibit G-2.
- 7.5.2.3 By State law, including without limitation, Welfare & Institutions Code, Section 10850 et seq., and 17006, all of the case records, computer records and information pertaining to individuals receiving aid are confidential and no information related to any individual case or cases is to be in any way relayed to anyone, except those employees of the Los Angeles County Department of Public Social Services (DPSS) so designated without written authorization from DPSS.

**PROBATION DEPARTMENT:**

**The following language replaces the language in the Sample County Contract, 7.5.**

**NOTE:** *Codes in this section will change subject to the type of contracted services – codes will generally refer to the California Welfare and Institutions Code and Penal Code and relate the specific service; however, the language below is standard for contracted services to minors.*

**7.5 CONFIDENTIALITY**

The CONTRACTOR shall be responsible for safeguarding all Probation information provided for use by the CONTRACTOR.

**7.5.1 Confidentiality of Juvenile Records**

By State law (California Welfare and Institutions Code Sections 827 and 828, and Penal Code Sections 1203.05, and 1203.09 and 11140 through 11144) all juvenile records and Probation case information which is in the CONTRACTOR'S care and possession is confidential and no information related to any individual is to be in any way relayed to anyone except those authorized employees of the Los Angeles County Probation Department and law enforcement agencies.

**7.5.2** Employees of CONTRACTOR shall be given copies of all cited code sections, and a form to sign (Refer to Attachment X) regarding the confidentiality of the information in the juvenile records. Copies of this form are to be sent to Contract Manager within five (5) business days of start of employment.

**DEPARTMENT OF PUBLIC SOCIAL SERVICES:**

**The following language is in addition to the language in the Sample County Contract, 7.0.**

**7.6 BILINGUAL STAFF**

Contractor shall provide bilingual staff when requested by County. Contractor must have a certification process in place to ensure that bilingual staff are proficient in oral and/or written English and in the specified non-English language(s). Upon request, Contractor shall provide County with the standards/process used to certify proficiency of bilingual staff.

**8.0 TERMS AND CONDITIONS**

**8.1 ASSIGNMENT AND DELEGATION**

**8.1.1** The Contractor shall not assign its rights or delegate its duties under this Contract, or both, either in whole or in part, without the prior written consent of the (*Department Head*). Any unapproved assignment or delegation shall be null and void. Any payments by the (*Department*) to any approved delegate or assignee on any claim under this Contract shall be deductible, at (*Department's*) sole discretion, against the claims, which the Contractor may have against the County.

**8.1.2** If any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without (*Department's*) express prior written approval, may result in the termination of this Contract.

**COMMUNITY AND SENIOR SERVICES:**

**The following language *replaces* the language in the Sample County Contract, 8.1.**

**8.1 ASSIGNMENTS**

No part of this Contract or any right or obligation arising from it shall be assigned without the written consent of the County. Any attempt by the Contractor to assign this Contract shall be void and shall constitute a material breach of this Contract upon which the County may immediately terminate this Contract in accordance with the provisions of Section 1101 (Termination for Default).

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language *replaces* the language in the Sample County Contract, 8.1.**

**8.1 ASSIGNMENT AND DELEGATION**

- 8.1.1 CONTRACTOR shall not assign its rights or delegate its duties hereunder, either in whole or in part, without the prior written consent of the Los Angeles COUNTY Board of Supervisors or the Director in the event the Director has the delegated authority to consent. Any attempted assignment and/or delegation without said consent shall constitute a default under Section 22.0, Events of Default, **(BE SURE TO CHECK SECTION NUMBER)** herein and shall be voidable at the election of the COUNTY. If CONTRACTOR is a corporation, partnership, limited liability company or other entity, then an assignment requiring COUNTY's consent hereunder shall also include any sale, exchange, assignment, divestment or change in members, directors or officers giving majority control of CONTRACTOR to any person(s) or legal entity other than the majority in control of CONTRACTOR at the time of execution of this Agreement. Any payments by COUNTY to CONTRACTOR or its assignee, or acceptance of any payments by COUNTY from CONTRACTOR or its assignee on any claim under this Agreement shall not waive or constitute such COUNTY consent.
- 8.1.2 Upon assignment and/or delegation, each and all of the provisions, agreements, terms, covenants and conditions herein contained, to be performed by CONTRACTOR, shall be binding upon both CONTRACTOR and upon any assignee/delegate thereof.
- 8.1.3 COUNTY's consent may be reasonably withheld if, among other things, the proposed assignee fails to meet the requirements for contracting satisfied by the original CONTRACTOR and/or the then current COUNTY or State contracting requirements for this or similar agreements. COUNTY may require, as a condition to its consent to assignment, that the assignee enter into an agreement utilizing then current standard COUNTY documentation for this or similar Agreements.
- 8.1.4 Any payments by COUNTY to any delegatee or assignee on any claim under this Agreement shall reduce dollar for dollar any claims which CONTRACTOR may have against COUNTY and shall be subject to set-off, recoupment, or other reduction for any claims which CONTRACTOR may have against COUNTY, whether under this Agreement or otherwise.

**DEPARTMENT OF MENTAL HEALTH:**

**The following language is in addition to the language in the Sample County Contract, 8.1.3, .4 & .5.**

**8.1.3 CAPTIONS AND PARAGRAPH HEADINGS**

Captions and paragraph headings used in this Agreement are for convenience only and are not a part of this Agreement and shall not be used in construing this Agreement.

**8.1.4 ALTERATION OF TERMS**

No addition to, or alteration of, the terms of the body of this Agreement, or the Financial Exhibit column(s) which are identified on the Financial Summary or Service Exhibit(s) hereto, whether by written or oral understanding of the parties, their officers, employees or agents, shall be valid and effective unless made in the form of a written amendment to this Agreement which is formally approved and executed by the parties in the same manner as this Agreement.

**8.1.5 ENTIRE AGREEMENT**

Entire Agreement: The body of this Agreement; all attachments; Financial Summary(ies) which identify the Financial Exhibit column(s) \_\_\_\_\_ Fiscal Year \_\_\_\_\_ Service Delivery Site Exhibit, and Service Exhibit(s) \_\_\_\_\_

\_\_\_\_\_, attached hereto and incorporated herein by reference; and Contractor's Negotiation Package for this Agreement, as approved in writing by Director, including any addenda thereto as approved in writing by Director, which are hereby incorporated herein by reference but not attached; shall constitute the complete and exclusive statement of understanding between the parties which supersedes all previous agreements, written or oral, and all other communications between the parties relating to the subject matter of this Agreement. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, or schedule, or the contents or description of any service or other work, or otherwise, between the body of this Agreement and the other referenced documents, or between such other documents, such conflict or inconsistency shall be resolved by giving precedence first to the body of this Agreement and its definitions and then to such other documents according to the following priority:

- A. Financial Summary(ies) which identify the Financial Exhibit column(s).
- B. Service Delivery Site Exhibit.
- C. Service Exhibit(s).
- D. Contractor's Negotiation Package.

**8.2 AUTHORIZATION WARRANTY**

The Contractor represents and warrants that the person executing this Contract for the Contractor is an authorized agent who has actual authority to bind the Contractor to each and every term, condition, and obligation of this Contract and that all requirements of the Contractor have been fulfilled to provide such actual authority.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language *replaces* the language in the Sample County Contract, 8.2.**

**8.2 AUTHORIZATION WARRANTY**

CONTRACTOR represents and warrants that the signatory to this Agreement is fully authorized to obligate CONTRACTOR hereunder and that all corporate acts necessary to the execution of this Agreement have been accomplished.

**8.3 BUDGET REDUCTIONS**

In the event that the County's Board of Supervisors adopts, in any fiscal year, a County Budget which provides for reductions in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County Contracts, the County reserves the right to reduce its payment obligation correspondingly for that fiscal year and any subsequent fiscal year services provided by the Contractor under the Contract. The County's notice to the Contractor regarding said reduction in payment obligation shall be provided within 30 calendar days of the Board's approval of such actions. The Contractor shall continue to provide all of the services set forth in the Contract.

**DEPARTMENT OF MENTAL HEALTH:**

**The following language *is in addition to* the language in the Sample County Contract, 8.3.**

**8.3 (Paragraph 2)**

County's Obligation For Current And Future Fiscal Years: Notwithstanding any other provision of this Agreement, this Agreement shall not be effective and binding upon the parties unless and until County's Board of Supervisors appropriates funds for purposes hereof in County's Budget for County's current Fiscal Year. Further, County shall not be obligated for Contractor's performance hereunder or by any provision of this Agreement during any of County's future Fiscal Years unless and until County's Board of Supervisors appropriates funds for purposes hereof in County's Budget for each such future Fiscal Year. In the event that funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last Fiscal Year for which funds were appropriated.

**8.4 CHANGE NOTICES AND AMENDMENTS**

***(The authority to execute Change Notices or Amendments varies between departments and types of contracts.)***

- 8.4.1 The County reserves the right to initiate Change Notices that **do not affect** the scope, term, Contract Sum or payments. All such changes shall be accomplished with an executed Change Notice signed by the Contractor and by *(Department to determine what level of management is required to execute this Change Notice)*.
- 8.4.2 For any change which affects the scope of work, term, Contract Sum, payments, or any term or condition included under this Contract, an Amendment shall be prepared and executed by the *(Department Head or his/her designee OR it may have to be executed by the Board of Supervisors)*.
- 8.4.3 The County's Board of Supervisors or Chief Administrative Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors or Chief Administrative Officer. To implement such changes, an Amendment to the Contract shall be prepared and executed by the Contractor and by *(Department to determine what level of management is required to execute this Amendment)*.



- 8.4.4 The (*Department Head or Board of Supervisors*), may at his/her sole discretion, authorize extensions of time as defined in Paragraph 4.0 - Term of Contract. The Contractor agrees that such extensions of time shall not change any other term or condition of this Contract during the period of such extensions. To implement an extension of time, an Amendment to the Contract shall be prepared and executed by the Contractor and by (*Department to determine what level of management is required to execute this Amendment*).

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language *replaces* the language in the Sample County Contract, 8.4.**

**8.4 CHANGE NOTICES AND AMENDMENTS**

The COUNTY reserves the right to change any portion of the work required under this Agreement, or make amendment to such other terms and conditions as may become necessary and reasonable. Any such revisions shall be in writing and accomplished in the following manner:

- 8.4.3 For any change which does not affect the period of performance, Maximum Contract Sum, Maximum Annual Contract Sum or payments, and which does not materially alter any term or condition included in this Agreement, an amendment shall be prepared, and signed by CONTRACTOR and the Director. Approval of County Counsel must be obtained for any changes which affect the scope of work.
- 8.4.4 For any change which affects the period of performance, Maximum Contract Sum, Maximum Annual Contract Sum or payments, or which materially alters any other term or condition in this Agreement, a written amendment shall be prepared, signed by the CONTRACTOR, and thereafter submitted to COUNTY's Board of Supervisors for consideration and, if approved, execution.
- 8.4.5 For purposes of Sections 12.1 and 12.2, a change materially alters a term or condition included in this Agreement if it: (1) is significant as to price, quantity, quality or delivery when contrasted with the total costs or scope of the services being procured; (2) alters minimum requirements for prospective bidders, proposers or negotiating entities for this Agreement; or (3) would result in a change in the Maximum Contract Sum set forth in Section 4.0, Contract Sum, of this Agreement.
- 8.4.6 Notwithstanding the provisions of Sections 12.1, and 12.2, COUNTY's Director may, without further action by COUNTY's Board of Supervisors, prepare and sign amendments to this Agreement which increase payments to CONTRACTOR which are commensurate with increases in the units of service being provided under this Agreement under the following conditions:
- 8.4.6.1 COUNTY's total payments to CONTRACTOR shall not increase more than ten percent (10%) per year and in the aggregate above the original Maximum Contract Sum during the term of this Agreement;
- 8.4.6.2 COUNTY's Board of Supervisors has appropriated sufficient funds for all changes described in each such amendment to this Agreement;
- 8.4.6.3 Approval of County Counsel and the Chief Administrative Officer is obtained prior to any such amendment to this Agreement; and
- 8.4.6.4 The Director shall notify COUNTY's Board of Supervisors, Chief Administrative Officer, and County Counsel of all Agreement changes, in writing, within fifteen (15) days following execution of such amendment.

**DEPARTMENT OF MENTAL HEALTH:**

**The following language is in addition to the language in the Sample County Contract (8.4.)**

8.4.5 Licenses, Permits, Registrations, Accreditations, And Certificates

- A. Contractor shall obtain and maintain in effect during the term of this Agreement, all licenses, permits, registrations, accreditations, and certificates (including, but not limited to, certification as a Short-Doyle/Medi-Cal provider if Title XIX Short-Doyle/Medi-Cal services are provided hereunder), as required by all Federal, State, and local laws, ordinances, rules, regulations, manuals, guidelines, and directives, which are applicable to Contractor's facility(ies) and services under this Agreement. Contractor shall further ensure that all of its officers, employees, and agents, who perform services hereunder, shall obtain and maintain in effect during the term of this Agreement all licenses, permits, registrations, accreditations, and certificates which are applicable to their performance hereunder. A copy of each such license, permit, registration, accreditation, and certificate (including, but not limited to, certification as a Short-Doyle/Medi-Cal provider if Title XIX Short-Doyle/Medi-Cal services are provided hereunder) as required by all applicable Federal, State, and local laws, ordinances, rules, regulations, manuals, guidelines and directives shall be provided, in duplicate, to DMH's Contracts Development and Administration Division.
- B. If Contractor is a participant in the Short-Doyle/Medi-Cal program, Contractor shall keep fully informed of all current Short-Doyle/Medi-Cal Policy Letters, including, but not limited to, procedures for maintaining Medi-Cal certification of all its facilities.

**DEPARTMENT OF PUBLIC SOCIAL SERVICES:**

**The following language is in addition to the language in the Sample County Contract, 8.4.**

- 8.4.5 The DPSS Director may prepare and sign amendments to the Contract without further action by the County's Board of Supervisors under the following conditions:
  - 8.4.5.1 Amendments shall be in compliance with applicable County, State and federal regulations.
  - 8.4.5.2 The amendment is for a decrease in the Contract costs, or the amendment is for an increase of no more than 10% of the total original Contract amount, and is necessitated by additional and necessary services that are required for Contractor to comply with changes in federal, State, or County requirements.
  - 8.4.5.3 The County's Board of Supervisors has appropriated sufficient funds in the Department of Public Social Services' budget.
  - 8.4.5.4 The Department of Public Social Services shall obtain the approval of County Counsel, or his designee, for an amendment to the Contract.
  - 8.4.5.5 Director will file a copy of all amendments with the Executive Office of the County Board of Supervisors and Chief Administrative Office within fifteen (15) days after execution of each amendment.

**PROBATION DEPARTMENT:**

**The following language replaces the language in the Sample County Contract, 8.4.**

**8.4 CHANGES AND AMENDMENTS OF TERMS**

COUNTY reserves the right to change any portion of the work required under this contract, or amend such other terms and conditions which may become necessary. Any such revisions shall be accomplished in the following manner:

- 8.4.1 For any change which does not materially affect the scope of work, period of performance, payments, or any other term or condition included under this contract, a Change Notice shall be prepared and signed by COUNTY'S Chief Probation Officer or his designee and CONTRACTOR'S Project Director.
- 8.4.2 For any revision which materially affects the scope of work, period of performance, payments, or any term and condition included in this contract, a negotiated modification to this contract shall be executed by the Los Angeles County Board of Supervisors and CONTRACTOR.
- 8.4.3 As used herein, the term "materially" is defined as being a change of more than ten (10%) percent of the contract price, a change of more than one hundred eighty (180) days to any period of performance or a change in the work required which in the sole discretion of the COUNTY'S Chief Probation Officer warrants execution by the Board of Supervisors.

**8.5 COMPLAINTS**

The Contractor shall develop, maintain and operate procedures for receiving, investigating and responding to complaints.

Within \_\_\_\_\_ business days after Contract effective date, the Contractor shall provide the County with the Contractor's policy for receiving, investigating and responding to user complaints.

- 8.5.1 The County will review the Contractor's policy and provide the Contractor with approval of said plan or with requested changes.
- 8.5.2 If the County requests changes in the Contractor's policy, the Contractor shall make such changes and resubmit the plan within five (5) business days.
- 8.5.3 If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor shall submit proposed changes to the County for approval before implementation.

The Contractor shall preliminarily investigate all complaints and notify the County's Project Manager of the status of the investigation within five (5) business days of receiving the complaint.

When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.

Copies of all written responses shall be sent to the County's Project Manager within three (3) business days of mailing to the complainant.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language [In Bold And Italic] replaces the language in the Sample County Contract, 8.5.**

**8.5 COMPLAINTS**

The CONTRACTOR shall develop, maintain, and operate procedures for receiving, investigating and responding to complaints. ***Within five (5) calendar days from the date of request***, the Contractor shall provide the County with the Contractor's policy for receiving, investigating and responding to user complaints.

**8.6 COMPLIANCE WITH APPLICABLE LAW**

8.6.1 The Contractor shall comply with all applicable Federal, State, and local laws, rules, regulations, ordinances, and directives, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.

8.6.2 The Contractor shall indemnify and hold harmless the County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, arising from or related to any violation on the part of the Contractor or its employees, agents, or subcontractors of any such laws, rules, regulations, ordinances, or directives.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language replaces the language in the Sample County Contract, 8.6.**

**8.6 COMPLIANCE WITH APPLICABLE LAW**

8.6.1 CONTRACTOR shall conform to and abide by all applicable Municipal, COUNTY, State and Federal laws and regulations, court rules, and ordinances, insofar as the same or any of them are applicable. This includes compliance with mandatory standards and policies relating to energy efficiency in the State Energy Conservation Plan (Title 24, California Administrative Code) and compliance with Section 306 of the Clean Air Act (42 USC 1857(h)), Section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738 and Environmental Protection Agency regulations (40 CFR Part 15). Insofar as permits and/or licenses are required for the prescribed services and/or any construction authorized herein, the same must be obtained from the regulatory agency having jurisdiction thereover.

8.6.1.1 CONTRACTOR acknowledges that this Agreement will be funded, in part, with federal funds; therefore, CONTRACTOR agrees that it shall comply with all applicable federal laws and regulations pertaining to such federal funding. Said federal laws and regulations include, but are not limited to, 45 CFR Section 92.36, et seq.

8.6.1.2 CONTRACTORS shall comply with all applicable laws pertaining to confidentiality. This shall include but is not limited to the confidentiality provisions of Section 827 and Section 10850 of the California Welfare and Institutions Code and MPP Division 19.

8.6.1.3 **(For Contracts over \$10,000)** – CONTRACTOR agrees to comply fully with the terms of Executive Order 11246, entitled Equal Employment Opportunity as amended by Executive Order 11375, and as supplemented by Department of Labor Regulations (41 CFR Part 60).

- 8.6.2 Failure by CONTRACTOR to comply with such laws and regulations shall be a material breach of this Agreement and may result in termination of this Agreement.
- 8.6.3 CONTRACTOR agrees to indemnify and hold COUNTY harmless from any loss, damage or liability resulting from a violation on the part of the CONTRACTOR, its employees, agents or subcontractors of such laws, regulations, rules, policies, standards or ordinances as described in Section 18.1, Compliance with Applicable Laws.

**DEPARTMENT OF MENTAL HEALTH:**

**The following language is in addition to the language in the Sample County Contract, 8.6.**

**8.6 COMPLIANCE WITH APPLICABLE LAW**

**8.6.3 Third Party Beneficiaries**

Notwithstanding any other provision of this Agreement, the parties do not in any way intend that any person or entity shall acquire any rights as a third party beneficiary of this Agreement.

**8.6.4 Public Announcements And Literature**

In public announcements and literature distributed by Contractor for the purpose of apprising patients/clients and the general public of the nature of its treatment services, Contractor shall clearly indicate that the services which it provides under this Agreement are funded by the County of Los Angeles.

**8.6.5 Restrictions On Lobbying**

If any Federal funds are to be used to pay for any of Contractor's services under this Agreement, Contractor shall fully comply with all certification and disclosure requirements prescribed by Section 319 of Public Law 101-121 (31 United States Code Section 1352) and any implementing regulations, and shall ensure that each of its subcontractors receiving funds under this Agreement also fully complies with all such certification and disclosure requirements.

**8.6.6 Contractor's Exclusion From Participation In A Federally Funded Program**

Contractor hereby warrants that neither it nor any of its staff members is restricted or excluded from providing services under any health care program funded by the Federal government, directly or indirectly, in whole or in part, and that Contractor will notify Director within thirty (30) calendar days in writing of: (1) any event that would require Contractor or a staff member's mandatory exclusion from participation in a Federally funded health care program; and (2) any exclusionary action taken by any agency of the Federal government against Contractor or one or more staff members barring it or the staff members from participation in a Federally funded health care program, whether such bar is direct or indirect, or whether such bar is in whole or in part.

Contractor shall indemnify and hold County harmless against any and all loss or damage County may suffer arising from any Federal exclusion of Contractor or its staff members from such participation in a Federally funded health care program.

Failure by Contractor to meet the requirements of this Paragraph shall constitute a material breach of Agreement upon which County may immediately terminate or suspend this Agreement.

**DEPARTMENT OF PUBLIC SOCIAL SERVICES:**

**The following language *replaces* the language in the Sample County Contract, 8.6.**

**8.6 COMPLIANCE WITH APPLICABLE LAW**

8.6.1 The Contractor shall comply with all applicable federal, State, and local laws, rules, regulations, ordinances, and directives, and all provisions required thereby to be included in this Contract are incorporated herein by this reference. These shall include, but are not limited to:

8.6.1.1 *California Welfare and Institutions Code*

8.6.1.2 California Department of Social Services (CDSS) *Manual of Policies and Procedures*

8.6.1.3 *Social Security Act*

8.6.1.4 State Energy and Efficiency Plan [*Title 24, California Administrative Code*]

8.6.1.5 Clean Air Act (*Section 306, 42 USC 1857 (h)*)

8.6.1.6 Clean Water Act (*Section 508, 33 USC 1368*)

8.6.1.7 Executive Order 11738 and Environmental Protection Agency Regulations (*40 CFR Part 15*)

8.6.1.8 Equal Employment Opportunity (EEO) [*Executive Order 11246 Amended by Executive Order 11375 and supplemented in Department of Labor Regulations, 41 CFR, Part 60*]

8.6.2 The Contractor shall indemnify and hold harmless the County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs, and expenses, including, but not limited to, defense costs and attorneys' fees, arising from or related to any violation on the part of the Contractor or its employees, agents, or subcontractors of any such laws, rules, regulations, ordinances, or directives.

8.6.3 Contractor shall maintain all licenses required to perform services required under this Contract.



**PROBATION DEPARTMENT:**

**The following language *is in addition to* the language in the Sample County Contract, 8.6.**

**8.6 COMPLIANCE WITH APPLICABLE LAW**

**8.6.3 Regulations**

CONTRACTOR agrees to comply with all applicable Federal, State and local laws, including the Americans With Disabilities Act (ADA) and its requirement to provide reasonable accommodations and auxiliary aids or services, unless compliance with the ADA would place an undue financial burden on, or would fundamentally alter the nature of, the CONTRACTOR'S program.

**8.7 COMPLIANCE WITH CIVIL RIGHTS LAWS**

The Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract. The Contractor shall comply with *Exhibit D - Contractor's EEO Certification*..

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language *replaces the* language in the Sample County Contract, 8.7.**

**8.7 COMPLIANCE WITH CIVIL RIGHTS LAWS**

CONTRACTOR hereby assures that it will comply with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, Title IX of the Education Amendments of 1973, where applicable, and Title 43, Part 17 of the Code of Federal Regulations Subparts A and B, to the end that no persons shall on the grounds of race, creed, color, national origin, political affiliation, marital status, sex, age, or handicap be subjected to discrimination under the privileges and use granted by this Agreement or under any project, program or activity supported by this Agreement.

**DEPARTMENT OF PUBLIC SOCIAL SERVICES:**

**The following language *replaces the* language in the Sample County Contract, 8.7.**

**8.7 COMPLIANCE WITH CIVIL RIGHTS LAWS**

The Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract, or under any project, program, or activity supported by this Contract. The Contractor shall certify to and comply with *Exhibit \_\_\_\_ - Bidder's/Offeror's Nondiscrimination In Services Certification*.

**8.8 COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM**

**8.8.1 Jury Service Program:**

This Contract is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010

through 2.203.090 of the Los Angeles County Code, a copy of which is attached as *Exhibit I* and incorporated by reference into and made a part of this Contract.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language [In Bold And Italic] is in addition to the language in the Sample County Contract, 8.8.1.**

**8.8 COMPLIANCE WITH CIVIL RIGHTS LAWS**

**8.8.1 Jury Service Program:**

This Contract is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code, ***a copy of which is attached hereto as Exhibit \_\_\_\_ and incorporated by reference into and made a part of this Agreement.***

**8.8.2 Written Employee Jury Service Policy.**

1. Unless Contractor has demonstrated to the County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.
2. For purposes of this Sub-paragraph, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if:  
1) the lesser number is a recognized industry standard as determined by the County, or  
2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the County under the Contract, the subcontractor shall also be subject to the provisions of this Sub-paragraph. The provisions of this Sub-paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.
3. If Contractor is not required to comply with the Jury Service Program when the Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Jury Service Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that Contractor demonstrate to the County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.

4. Contractor's violation of this Sub-paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

**8.9 COMPLIANCE WITH THE COUNTY'S LIVING WAGE PROGRAM  
(LANGUAGE FOR PROP A LIVING WAGE CONTRACTS)**

**8.9.1 Living Wage Program:**

This Contract is subject to the provisions of the County's ordinance entitled Living Wage Program as codified in Sections 2.201.010 through 2.201.100 of the Los Angeles County Code, a copy of which is attached as *Exhibit K* and incorporated by reference into and made a part of this Contract.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language [In Bold And Italics] is in addition to the language in the Sample County Contract, 8.9.1.**

**8.9 COMPLIANCE WITH THE COUNTY'S LIVING WAGE PROGRAM**

**8.9.1 Living Wage Program:**

This Contract is subject to the provisions of the County's ordinance entitled Living Wage Program as codified in Sections ~~2.201.010~~ **Sections 2.201.020** through 2.201.100 of the Los Angeles County Code, a copy of which is attached as Exhibit K and incorporated by reference into and made a part of this Contract.

**8.9.2 Payment of Living Wage Rates.**

1. Unless the Contractor has demonstrated to the County's satisfaction either that the Contractor is not an "Employer" as defined under the Program (Section 2.201.020 of the County Code) or that the Contractor qualifies for an exception to the Living Wage Program (Section 2.201.090 of the County Code), the Contractor shall pay its Employees no less than the applicable hourly living wage rate, as set forth immediately below, for the Employees' services provided to the County under the Contract:
  - a. Not less than \$9.46 per hour if, in addition to the per-hour wage, the Contractor contributes less than \$1.14 per hour towards the provision of bona fide health care benefits for its Employees and any dependents; or
  - b. Not less than \$8.32 per hour if, in addition to the per-hour wage, the Contractor contributes at least \$1.14 per hour towards the provision of bona fide health care benefits for its Employees and any dependents. The Contractor will be deemed to have contributed \$1.14 per hour towards the provision of bona fide health care benefits if the benefits are provided through the County Department of Health Services Community Health Plan. If, at any time during the Contract, the Contractor contributes less than \$1.14 per hour towards the provision of bona fide health care benefits, the Contractor shall be required to pay its Employees the higher hourly living wage rate.
2. For purposes of this Sub-paragraph, "Contractor" includes any subcontractor engaged by the Contractor to perform services for the County under the Contract. If the Contractor uses any subcontractor to perform services for the County under the Contract, the subcontractor shall be subject to the provisions of this Sub-paragraph. The provisions of this Sub-paragraph shall be inserted into any such subcontract Contract and a copy of the Living Wage Program shall be attached to the Contract. "Employee" means any individual who is an employee of the Contractor under the

laws of California, and who is providing full-time services to the Contractor, some or all of which are provided to the County under the Contract. "Full-time" means a minimum of 40 hours worked per week, or a lesser number of hours, if the lesser number is a recognized industry standard and is approved as such by the County; however, fewer than 35 hours worked per week will not, in any event, be considered full-time.

3. If the Contractor is required to pay a living wage when the Contract commences, the Contractor shall continue to pay a living wage for the entire term of the Contract, including any option period.
4. If the Contractor is not required to pay a living wage when the Contract commences, the Contractor shall have a continuing obligation to review the applicability of its "exemption status" from the living wage requirement. The Contractor shall immediately notify the County if the Contractor at any time either comes within the Living Wage Program's definition of "Employer" or if the Contractor no longer qualifies for an exception to the Living Wage Program. In either event, the Contractor shall immediately be required to commence paying the living wage and shall be obligated to pay the living wage for the remaining term of the Contract, including any option period. The County may also require, at any time during the Contract and at its sole discretion, that the Contractor demonstrate to the County's satisfaction that the Contractor either continues to remain outside of the Living Wage Program's definition of "Employer" and/or that the Contractor continues to qualify for an exception to the Living Wage Program. Unless the Contractor satisfies this requirement within the time frame permitted by the County, the Contractor shall immediately be required to pay the living wage for the remaining term of the Contract, including any option period.

#### **8.9.3 Contractor's Submittal of Certified Monitoring Reports.**

The Contractor shall submit to the County certified monitoring reports at a frequency instructed by the County. The certified monitoring reports shall list all of the Contractor's Employees during the reporting period. The certified monitoring reports shall also verify the number of hours worked, the hourly wage rate paid, and the amount paid by the Contractor for health benefits, if any, for each of its Employees. The certified monitoring reports shall also state the name and identification number of the Contractor's current health care benefits plan, and the Contractor's portion of the premiums paid as well as the portion paid by each Employee. All certified monitoring reports shall be submitted on forms provided by the County (*Exhibit L and Exhibit M*), or other form approved by the County which contains the above information. The County reserves the right to request any additional information it may deem necessary. If the County requests additional information, the Contractor shall promptly provide such information. The Contractor, through one of its officers, shall certify under penalty of perjury that the information contained in each certified monitoring report is true and accurate.

#### **8.9.4 Contractor's Ongoing Obligation to Report Labor Law/Payroll Violations and Claims**

During the term of the Contract, if the Contractor becomes aware of any labor law/payroll violation or any complaint, investigation or proceeding ("claim") concerning any alleged labor law/payroll violation (including but not limited to any violation or claim pertaining to wages, hours and working conditions such as minimum wage, prevailing wage, living wage, the Fair Labor Standards Act, employment of minors, or unlawful employment discrimination), the Contractor shall immediately inform the County of any pertinent facts known by the Contractor regarding same. This disclosure obligation is not limited to any labor law/payroll violation or claim arising out of the Contractor's contract with the County, but instead applies to any labor law/payroll violation or claim arising out of any of the Contractor's operations in California.

**8.9.5 County Auditing of Contractor Records.**

Upon a minimum of twenty-four (24) hours' written notice, the County may audit, at the Contractor's place of business, any of the Contractor's records pertaining to the Contract, including all documents and information relating to the certified monitoring reports. The Contractor is required to maintain all such records in California until the expiration of four years from the date of final payment under the Contract. Authorized agents of the County shall have access to all such records during normal business hours for the entire period that records are to be maintained.

**8.9.6 Notifications to Employees.**

The Contractor shall place County-provided living wage posters at each of the Contractor's places of business and locations where Contractor's Employees are working. The Contractor shall also distribute County-provided notices to each of its Employees at least once per year. The Contractor shall translate into Spanish and any other language spoken by a significant number of Employees the posters and handouts.

**8.9.7 Enforcement and Remedies.**

If the Contractor fails to comply with the requirements of this Sub-paragraph, the County shall have the rights and remedies described in this Sub-paragraph in addition to any rights and remedies provided by law or equity.

1. Remedies For Submission of Late or Incomplete Certified Monitoring Reports. If the Contractor submits a certified monitoring report to the County after the date it is due or if the report submitted does not contain all of the required information or is inaccurate or is not properly certified, any such deficiency shall constitute a breach of the Contract. In the event of any such breach, the County may, in its sole discretion, exercise any or all of the following rights/remedies:
  - a. Withholding of Payment. If the Contractor fails to submit accurate, complete, timely and properly certified monitoring reports, the County may withhold from payment to the Contractor up to the full amount of any invoice that would otherwise be due, until Contractor has satisfied the concerns of the County, which may include required submittal of revised certified monitoring reports or additional supporting documentation.
  - b. Liquidated Damages. It is mutually understood and agreed that the Contractor's failure to submit an accurate, complete, timely and properly certified monitoring report will result in damages being sustained by the County. It is also understood and agreed that the nature and amount of the damages will be extremely difficult and impractical to fix; that the liquidated damages set forth herein are the nearest and most exact measure of damages for such breach that can be fixed at this time; and that the liquidated damages are not intended as a penalty or forfeiture for the Contractor's breach. Therefore, in the event that a certified monitoring report is deficient, including but not limited to being late, inaccurate, incomplete or uncertified, it is agreed that the County may, in its sole discretion, assess against the Contractor liquidated damages in the amount of \$100 per monitoring report for each day until the County has been provided with a properly prepared, complete and certified monitoring report. The County may deduct any assessed liquidated damages from any payments otherwise due the Contractor.
  - c. Termination. The Contractor's continued failure to submit accurate, complete, timely and properly certified monitoring reports may constitute a material breach of the Contract. In the event of such material breach, the County may, in its sole discretion, terminate the Contract.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language is in addition to/replaces the language in the Sample County Contract, 8.9.7, (1), (b & c).**

**8.9.7 Enforcement And Remedies**

**1. Remedies For Submission of Late or Incomplete Certified Monitoring Reports.**

**(b) Liquidated Damages**

***(Replace Last Sentence In "1, b", With The Following)***

The COUNTY may deduct liquidated damages from any payments otherwise due CONTRACTOR.

**(c) Termination**

***(Replace "1, c" With The Following)***

CONTRACTOR's failure to submit an accurate, complete, timely and properly certified monitoring report may constitute a material breach of this Agreement.

**2. Remedies for Payment of Less Than the Required Living Wage.** If the Contractor fails to pay any Employee at least the applicable hourly living wage rate, such deficiency shall constitute a breach of the Contract. In the event of any such breach, the County may, in its sole discretion, exercise any or all of the following rights/remedies:

a. Withholding Payment. If the Contractor fails to pay one or more of its Employees at least the applicable hourly living wage rate, the County may withhold from any payment otherwise due the Contractor the aggregate difference between the living wage amounts the Contractor was required to pay its Employees for a given pay period and the amount actually paid to the employees for that pay period. The County may withhold said amount until the Contractor has satisfied the County that any underpayment has been cured, which may include required submittal of revised certified monitoring reports or additional supporting documentation.

b. Liquidated Damages. It is mutually understood and agreed that the Contractor's failure to pay any of its Employees at least the applicable hourly living wage rate will result in damages being sustained by the County. It is also understood and agreed that the nature and amount of the damages will be extremely difficult and impractical to fix; that the liquidated damages set forth herein are the nearest and most exact measure of damages for such breach that can be fixed at this time; and that the liquidated damages are not intended as a penalty or forfeiture for the Contractor's breach. Therefore, it is agreed that the County may, in its sole discretion, assess against the Contractor liquidated damages of \$50 per Employee per day for each and every instance of an underpayment to an Employee. The County may deduct any assessed liquidated damages from any payments otherwise due the Contractor.

b. Termination. The Contractor's continued failure to pay any of its Employees the applicable hourly living wage rate may constitute a material breach of the Contract. In the event of such material breach, the County may, in its sole discretion, terminate the Contract.



**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language replaces the language in the Sample County Contract, 8.9.7. (2) (c).**

**8.9.7 Enforcement And Remedies**

**2. Remedies for Payment of Less Than the Required Living Wage**

**c. Termination**

CONTRACTOR's failure to pay any of its Employees the applicable hourly living wage rate may constitute a material breach of this Agreement.

3. Debarment. In the event the Contractor breaches a requirement of this Sub-paragraph, the County may, in its sole discretion, bar the Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach, not to exceed three years.

**8.9.8 Use of Full-Time Employees.**

The Contractor shall assign and use full-time Employees of the Contractor to provide services under the Contract unless the Contractor can demonstrate to the satisfaction of the County that it is necessary to use non-full-time Employees based on staffing efficiency or County requirements for the work to be performed under the Contract. It is understood and agreed that the Contractor shall not, under any circumstance, use non-full-time Employees for services provided under the Contract unless and until the County has provided written authorization for the use of same. The Contractor submitted with its proposal a full-time Employee staffing plan. If the Contractor changes its full-time Employee staffing plan, the Contractor shall immediately provide a copy of the new staffing plan to the County.

**8.9.9 Contractor Retaliation Prohibited.**

The Contractor and/or its Employees shall not take any adverse action which would result in the loss of any benefit of employment, any contract benefit, or any statutory benefit for any Employee, person or entity who has reported a violation of the Living Wage Program to the County or to any other public or private agency, entity or person. A violation of the provisions of this Sub-paragraph may constitute a material breach of the Contract. In the event of such material breach, the County may, in its sole discretion, terminate the Contract.

**8.9.10 Contractor Standards.**

During the term of the Contract, the Contractor shall maintain business stability, integrity in employee relations and the financial ability to pay a living wage to its employees. If requested to do so by the County, the Contractor shall demonstrate to the satisfaction of the County that the Contractor is complying with this requirement.

**8.9.11 Employee Retention Rights**

***(Note: This Sub-paragraph applies only if the contract involves the provision of services that were previously provided by a Contractor under a predecessor Proposition A contract or a predecessor cafeteria services contract, which predecessor contract was terminated by the County prior to its expiration.)***

1. Contractor shall offer employment to all retention employees who are qualified for such jobs. A "retention employee" is an individual:

- a. Who is not an exempt employee under the minimum wage and maximum hour exemptions defined in the federal Fair Labor Standards Act; and
  - b. Who has been employed by a Contractor under a predecessor Proposition A contract or a predecessor cafeteria services contract with the County for at least six months prior to the date of this new Contract, which predecessor contract was terminated by the County prior to its expiration; and
  - c. Who is or will be terminated from his or her employment as a result of the County entering into this new contract.
2. Contractor is not required to hire a retention employee who:
- a. Has been convicted of a crime related to the job or his or her performance; or
  - b. Fails to meet any other County requirement for employees of a Contractor.
3. Contractor shall not terminate a retention employee for the first 90 days of employment under the contract, except for cause. Thereafter, Contractor may retain a retention employee on the same terms and conditions as Contractor's other employees.

#### **8.9.12 Neutrality in Labor Relations**

The Contractor shall not use any consideration received under the Contract to hinder, or to further, organization of, or collective bargaining activities by or on behalf of the Contractor's employees, except that this restriction shall not apply to any expenditure made in the course of good faith collective bargaining, or to any expenditure pursuant to obligations incurred under a bona fide collective bargaining Contract, or which would otherwise be permitted under the provisions of the National Labor Relations Act.

#### **DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language replaces the language in the Sample County Contract, 8.9.12.**

#### **8.9.12 Neutrality in Labor Relations**

CONTRACTOR shall not use any consideration received under this Agreement to hinder, or to further, organization of, or bargaining, or to any expenditure pursuant to obligations incurred under a bona fide collective bargaining agreement, or which would otherwise be permitted under the provisions of the National Labor Relations Act.

#### **8.10 CONFLICT OF INTEREST**

- 8.10.1 No County employee whose position with the County enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Contractor or have any other direct or indirect financial interest in this Contract. No officer or employee of the Contractor who may financially benefit from the performance of work hereunder shall in any way participate in the County's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language [In Bold And Italics] is in addition to the language in the Sample County Contract, 8.10.1.**

**8.10 CONFLICT OF INTEREST**

8.10.1 No County employee whose position with the County enables such employee to influence the award of this Contract ***or administration of this Agreement*** or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Contractor or have any other direct or indirect financial interest in this Contract. No officer or employee of the Contractor who may financially benefit from the performance of work hereunder shall in any way participate in the County's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.

8.10.2 The Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. The Contractor warrants that it is not now aware of any facts that create a conflict of interest. If the Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this Sub-paragraph shall be a material breach of this Contract.

**DEPARTMENT OF PUBLIC SOCIAL SERVICES:**

**The following language is in addition to the language in the Sample County Contract, 8.10.3.**

8.10.3 Contractor shall certify to and comply with Exhibit \_\_\_\_ - Invitation for Bids/Request for Proposals Grounds for Rejection.

**8.11 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/OR RE-EMPLOYMENT LIST**

Should the Contractor require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the Contractor shall give **first consideration** for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Contract.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language is in addition to the language in the Sample County Contract, 8.11.**

**8.11 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/OR RE-EMPLOYMENT LIST**

***(For Contract Sums Over \$250,000)***

8.11.1 CONTRACTOR shall notify COUNTY of any new or vacant position(s) within the CONTRACTOR's personnel who perform services set forth herein, by sending via U.S. mail or facsimile, a list denoting any positions(s) for which hiring is anticipated to:

Department of Human Resources  
500 West Temple Street, Room 588  
Los Angeles, California 90012  
FAX: (213) 680-2450

**8.11.2** CONTRACTOR is exempt from the provisions of this Section 8.11 if it is a governmental entity.

**8.12 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS**

Should the Contractor require additional or replacement personnel after the effective date of this Contract, the Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that the Contractor will interview qualified candidates. The County will refer GAIN/GROW participants by job category to the Contractor.

In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language is in addition to the language in the Sample County Contract, 8.12.**

**8.12 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS**

**8.12.1** CONTRACTOR shall send notices to the COUNTY's Department of Public Social Services offices(s) located nearest to the job location at the following addresses:

Region I – West County  
5200 W. Century Blvd.  
Los Angeles, CA 90045

Region IV – Central and West County  
2910 W. Beverly Blvd.  
Los Angeles, CA 90057

Region II – West San Fernando Valley  
14355 Roscoe Blvd.  
Panorama City, CA 91402

Region IV – Central and West County  
Exposition Park Sub-Office  
3965 S. Vermont  
Los Angeles, CA 90037

Region II – West San Fernando Valley  
Santa Clarita Sub-Office  
27233 Camp Plenty Road  
Canyon Country, CA 91351

Region V – South County  
2959 Victoria Street  
Rancho Dominguez, CA 90221

Region II – West San Fernando Valley  
Palmdale Sub-Office  
1050 E. Palmdale Blvd. #204  
Palmdale, CA 93550

Region VI – Southeast County  
5460 Bandini Blvd.  
City of Bell, CA 90201

Region III – San Gabriel Valley  
3216 Rosemead Blvd.  
El Monte, CA 91731

Region VII – East San Fernando County  
3307 N. Glenoaks Blvd.  
Burbank, CA 91504

Region III – San Gabriel Valley  
GAIN Cal-Learn Branch  
3220 Rosemead Blvd.  
El Monte, CA 91731

**8.12.2** The notice sent by CONTRACTOR must indicate the position(s)/title(s) for vacant or new employment opportunity, description of same, requirements/qualifications for position(s), anticipated pay rate or salary schedule, the location where applications/request(s) for applications are being received, final date of acceptance for applications, and any special circumstances relevant to the hiring procedure for said position(s).

**8.12.3** CONTRACTOR is exempt from the provisions of this Section 8.12 if it is a governmental entity.

**8.13 CONTRACTOR'S RESPONSIBILITY AND DEBARMENT**

**8.13.1 Responsible Contractor**

A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the Contract. It is the County's policy to conduct business only with responsible Contractors.

**8.13.2 Chapter 2.202 of the County Code**

The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other Contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the Contractor from bidding on any County Contracts for a specified period of time not to exceed three (3) years, and terminate any or all existing Contracts the Contractor may have with the County.

**8.13.3 Non-responsible Contractor**

The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated any term of a Contract with the County, (2) committed any act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a Contract with the County or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

**8.13.4 Contractor Hearing Board**

If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence that is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. If the Contractor fails to avail itself of the opportunity to submit evidence to the Contractor Hearing Board, the Contractor may be deemed to have waived all rights of appeal.

A record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

**8.13.5 Subcontractors of Contractor**

These terms shall also apply to Subcontractors of County Contractors.

**8.14 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO CHILD SUPPORT ENFORCEMENT**

The Contractor acknowledges that the County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at the Contractor's place of business. The County's Child Support Services Department will supply the Contractor with the poster to be used.

**8.15 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW**

The Contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used.

**8.16 CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

8.16.1 The Contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through Purchase Order or Contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

8.16.2 As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Contractor's duty under this Contract to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and shall during the term of this Contract maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language replaces the language in the Sample County Contract, 8.16.2.**

**8.16 CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

8.16.1 [No Change]

8.16.2 As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Contractor's duty under this Contract to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and shall during the term of this Contract maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings



**8.17 COUNTY'S QUALITY ASSURANCE PLAN**

The County or its agent will evaluate the Contractor's performance under this Contract on not less than an annual basis. Such evaluation will include assessing the Contractor's compliance with all Contract terms and conditions and performance standards. Contractor deficiencies which the County determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by the County and the Contractor. If improvement does not occur consistent with the corrective action measures, the County may terminate this Contract or impose other penalties as specified in this Contract.

**8.18 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS**

8.18.1 Contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by Contractor or employees or agents of Contractor. Such repairs shall be made immediately after Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.

8.18.2 If Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by Contractor by cash payment upon demand.

**8.19 EMPLOYMENT ELIGIBILITY VERIFICATION**

The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The Contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The Contractor shall retain all such documentation for all covered employees for the period prescribed by law.

The Contractor shall indemnify, defend, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Contractor or the County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language is in addition to the language in the Sample County Contract, 8.19.**

**8.19 EMPLOYMENT ELIGIBILITY VERIFICATION**

8.19.1 CONTRACTOR warrants that it fully complies with all Federal statutes and regulations regarding employment of aliens and others, and that all its employees performing services hereunder meet the citizenship or alien status requirements contained in Federal statutes and regulations. CONTRACTOR shall obtain, from all covered employees performing services hereunder, all verification and other documentation of employment eligibility status required by Federal statutes and regulations as they currently exist and as they may be hereafter amended. CONTRACTOR shall retain such documentation of all covered employees for the period prescribed by law. CONTRACTOR shall indemnify, defend, and hold

harmless, the COUNTY, its officers and employees from employer sanctions and any other liability which may be assessed against CONTRACTOR or COUNTY in connection with any alleged violation of Federal statutes or regulations pertaining to the eligibility for employment of persons performing services under this Agreement.

**8.20 FACSIMILE REPRESENTATIONS**

The County and the Contractor hereby agree to regard facsimile representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Change Notices and Amendments prepared pursuant to Sub-paragraph 8.4, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Change Notices and Amendments to this Contract, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

**8.21 FAIR LABOR STANDARDS**

The Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the Contractor's employees for which the County may be found jointly or solely liable.

**8.22 GOVERNING LAW, JURISDICTION, AND VENUE**

This Contract shall be governed by, and construed in accordance with, the laws of the State of California. The Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Contract and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language [In Bold And Italics] is in addition to the language in the Sample County Contract, 8.22.**

**8.22 GOVERNING LAW, JURISDICTION, AND VENUE**

This Contract shall be governed by, and construed in accordance with, the laws of the State of California. The Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Contract and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles, ***California.***

**DEPARTMENT OF PUBLIC SOCIAL SERVICES:**

**The following language *replaces* the language in the Sample County Contract, 8.22.**

**8.22 GOVERNING LAW, JURISDICTION, AND VENUE**

8.22.1 This contract shall be governed by, and construed in accordance with, the laws of the State of California.

8.22.2 Any reference to a specific statute, regulation, or other law is deemed to include a reference to any amendment thereto as of the effective date of such amendment; further, this Contract shall be interpreted, and the parties' duties and obligations under this Contract shall be consistent with, any amendment to any applicable statute, regulation, or other law which occurs after the effective date of this Contract.

- 8.22.3 The Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Contract and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles, Central Civil Division.

## **8.23 INDEPENDENT CONTRACTOR STATUS**

- 8.23.1 This Contract is by and between the County and the Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and the Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.
- 8.23.2 The Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. The County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the Contractor.
- 8.23.3 The Contractor understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not employees of the County. The Contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the Contractor pursuant to this Contract.

### **DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language [In Bold And Italics] replaces the language in the Sample County Contract, 8.23.3.**

## **8.23 INDEPENDENT CONTRACTOR**

- 8.23.3 The Contractor understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not employees of the County. The Contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the Contractor pursuant to this Contract ***service to County provided pursuant to this Agreement.***

- 8.23.4 As previously instructed in Sub-paragraph 7.5 - Confidentiality, the Contractor shall cause each employee performing services covered by this Contract to sign and adhere to the "*Contractor Employee Acknowledgment, Confidentiality, and Copyright Assignment Agreement*", Exhibit G1. The Contractor shall cause each non-employee performing services covered by this Contract to sign and adhere to the "*Contractor Non-Employee Acknowledgment, Confidentiality, and Copyright Assignment Agreement*", Exhibit G2.

**COMMUNITY AND SENIOR SERVICES:**

The following language *replaces* the language in the Sample County Contract, 8.23.

**8.23 INDEPENDENT CONTRACTOR**

The Contractor shall at all times be acting as an independent contractor. This contract is not intended, and shall not be construed to create the relationship of agent, servant, employee, partner, joint venture, or association, as between the County and the Contractor. Contractor understands and agrees that all of Contractor personnel furnishing services to the County under this Contract are employees solely of the Contractor and not of the County for all purposes including but not limited to workers' compensation liability. The Contractor shall bear the sole responsibility and liability for furnishing workers' compensation benefits to any Contractor personnel for injuries arising from or connected with services performed under this Contract.

**8.24 INDEMNIFICATION**

The Contractor shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with the Contractor's acts and/or omissions arising from and/or relating to this Contract.

**8.25 GENERAL INSURANCE REQUIREMENTS**

Without limiting the Contractor's indemnification of the County and during the term of this Contract, the Contractor shall provide and maintain, and shall require all of its subcontractors to maintain, the following programs of insurance specified in this Contract. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by the County. Such coverage shall be provided and maintained at the Contractor's own expense.

**8.25.1 Evidence of Insurance:** Certificate(s) or other evidence of coverage satisfactory to the County shall be delivered to:

prior to commencing services under this Contract. Such certificates or other evidence shall:

- Specifically identify this Contract;
- Clearly evidence all coverages required in this Contract;
- Contain the express condition that the County is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance;
- Include copies of the additional insured endorsement to the commercial general liability policy, adding the County of Los Angeles, its Special Districts, its officials, officers and employees as insureds for all activities arising from this Contract; and
- Identify any deductibles or self-insured retentions for the County's approval. The County retains the right to require the Contractor to reduce or eliminate such deductibles or self-insured retentions as they apply to the County, or, require the Contractor to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to investigations, claims administrations, and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

**8.25.2 Insurer Financial Ratings:** Insurance is to be provided by an insurance company acceptable to the County with an A.M. Best rating of not less than A:VII unless otherwise approved by the County.

- 8.25.3 Failure to Maintain Coverage:** Failure by the Contractor to maintain the required insurance, or to provide evidence of insurance coverage acceptable to the County, shall constitute a material breach of the Contract upon which the County may immediately terminate or suspend this Contract. The County, at its sole option, may obtain damages from the Contractor resulting from said breach. Alternatively, the County may purchase such required insurance coverage, and without further notice to the Contractor, the County may deduct from sums due to the Contractor any premium costs advanced by the County for such insurance.
- 8.25.4 Notification of Incidents, Claims or Suits: Contractor shall report to the County:**
- Any accident or incident relating to services performed under this Contract which involves injury or property damage which may result in the filing of a claim or lawsuit against the Contractor and/or the County. Such report shall be made in writing within 24 hours of occurrence.
  - Any third party claim or lawsuit filed against the Contractor arising from or related to services performed by the Contractor under this Contract.
  - Any injury to a Contractor employee that occurs on County property. This report shall be submitted on a County "Non-employee Injury Report" to the County Contract Manager.
  - Any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of County property, monies or securities entrusted to the Contractor under the terms of this Contract.
- 8.25.5 Compensation for County Costs:** In the event that the Contractor fails to comply with any of the indemnification or insurance requirements of this Contract, and such failure to comply results in any costs to the County, the Contractor shall pay full compensation for all costs incurred by the County.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language is in addition to the language in the Sample County Contract, 8.25.**

**8.25 INSURANCE COVERAGE REQUIREMENTS**

Include coverages from Sections below, as appropriate. As a general rule, contractors should be required to maintain general liability, auto liability, and workers' compensation coverage. Please refer to the "Insurance Manual for Service Agreement" for further assistance in identifying necessary insurance coverages and limits.

**8.25.1 Professional Liability:** Insurance covering liability arising from any error, omission, negligent or wrongful act of the CONTRACTOR, its officers or employees with limits of not less than one million dollars (\$1,000,000) per occurrence and three million dollars (\$3,000,000) aggregate. The coverage also shall provide an extended two-year reporting period commencing upon termination or cancellation of this Agreement.

**8.25.2 Property Coverage:** Such insurance shall be endorsed naming the COUNTY of Los Angeles as loss payee, provide deductibles of no greater than 5% of the property value, and shall include:

Personal Property: Automobiles and Mobile Equipment – Special form ("all risk") coverage for the actual cash value of COUNTY-owned or leased property.

Real Property and All Other Personal Property – Special form ("all-risk") coverage for the full replacement value of COUNTY-owned or leased property.

8.25.3 Crime Coverage: Insurance with limits in amounts not less than indicated below covering against loss of money, securities, or other property referred to in this Agreement, and naming the COUNTY as loss payee.

Employee Dishonesty:	\$___ (determined by DCFS)
Forgery or Alteration:	\$___ (determined by DCFS)
Theft, Disappearance and Destruction:	\$___ (determined by DCFS)
Computer Fraud:	\$___ (determined by DCFS)
Burglary and Robbery:	\$___ (determined by DCFS)

**8.25.6 Insurance Coverage Requirements for Subcontractors:** The Contractor shall ensure any and all subcontractors performing services under this Contract meet the insurance requirements of this Contract by either:

- The Contractor providing evidence of insurance covering the activities of subcontractors, or
- The Contractor providing evidence submitted by subcontractors evidencing that subcontractors maintain the required insurance coverage. The County retains the right to obtain copies of evidence of subcontractor insurance coverage at any time.

## **8.26 INSURANCE COVERAGE REQUIREMENTS**

*(Requirements may vary depending on the type of Contract. CAO - RIMA should be consulted as to what coverage is required.)*

**8.26.1 General Liability** insurance written on ISO policy form CG 00 01 or its equivalent with limits of not less than the following:

General Aggregate:	\$2 million
Products/Completed Operations Aggregate:	\$1 million
Personal and Advertising Injury:	\$1 million
Each Occurrence:	\$1 million

**8.26.2 Automobile Liability** written on ISO policy form CA 00 01 or its equivalent with a limit of liability of not less than \$1 million for each accident. Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto".

**8.26.3 Workers' Compensation and Employers' Liability** insurance providing workers' compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which the Contractor is responsible. If the Contractor's employees will be engaged in maritime employment, coverage shall provide workers' compensation benefits as required by the U.S. Longshore and Harbor Workers' Compensation Act, Jones Act or any other federal law for which the Contractor is responsible.

In all cases, the above insurance also shall include Employers' Liability coverage with limits of not less than the following:

Each Accident:	\$1 million
Disease - policy limit:	\$1 million
Disease - each employee:	\$1 million

## **8.27 LIQUIDATED DAMAGES**

8.27.1 If, in the judgment of the Department Head, the Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, the Department Head, or his/her designee, at his/her option, in addition to, or in lieu of, other remedies provided herein, may withhold the entire monthly payment or deduct pro rata from the Contractor's invoice for work not performed. The work not performed and the amount to be withheld or deducted from payments to the Contractor from the County, will be



forwarded to the Contractor by the Department Head, or his/her designee, in a written notice describing the reasons for said action.

8.27.2 If the Department Head determines that there are deficiencies in the performance of this Contract that the Department Head deems are correctable by the Contractor over a certain time span, the Department Head will provide a written notice to the Contractor to correct the deficiency within specified time frames. Should the Contractor fail to correct deficiencies within said time frame, the Department Head may:

- (a) Deduct from the Contractor's payment, pro rata, those applicable portions of the Monthly Contract Sum; and/or
- (b) Deduct liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Contractor to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is One Hundred Dollars (\$100) per day per infraction, or as specified in the *Performance Requirements Summary (PRS) Chart*, as defined in *Appendix C, Technical Exhibit 2*, hereunder, and that the Contractor shall be liable to the County for liquidated damages in said amount. Said amount shall be deducted from the County's payment to the Contractor; and/or
- (c) Upon giving five (5) days notice to the Contractor for failure to correct the deficiencies, the County may correct any and all deficiencies and the total costs incurred by the County for completion of the work by an alternate source, whether it be County forces or separate private contractor, will be deducted and forfeited from the payment to the Contractor from the County, as determined by the County.

8.27.3 The action noted in Sub-paragraph 8.27.2 shall not be construed as a penalty, but as adjustment of payment to the Contractor to recover the County cost due to the failure of the Contractor to complete or comply with the provisions of this Contract.

8.27.4 This Sub-paragraph shall not, in any manner, restrict or limit the County's right to damages for any breach of this Contract provided by law or as specified in the PRS or Sub-paragraph 8.27.2, and shall not, in any manner, restrict or limit the County's right to terminate this Contract as agreed to herein.

## **8.28 MOST FAVORED PUBLIC ENTITY**

If the Contractor's prices decline, or should the Contractor at any time during the term of this Contract provide the same goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Contract, then such lower prices shall be immediately extended to the County.

## **8.29 NONDISCRIMINATION AND AFFIRMATIVE ACTION**

8.29.1 The Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.

8.29.2 The Contractor shall certify to, and comply with, the provisions of *Exhibit D - Contractor's EEO Certification*.

8.29.3 The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and

regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

- 8.29.4 The Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, or physical or mental disability, marital status, or political affiliation.
- 8.29.5 The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.
- 8.29.6 The Contractor shall allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this Sub-paragraph 8.29 when so requested by the County.
- 8.29.7 If the County finds that any provisions of this Sub-paragraph 8.29 have been violated, such violation shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract. While the County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the County that the Contractor has violated the anti-discrimination provisions of this Contract.
- 8.29.8 The parties agree that in the event the Contractor violates any of the anti-discrimination provisions of this Contract, the County shall, at its sole option, be entitled to the sum of Five Hundred Dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language *replaces* the language in the Sample County Contract, 8.29.**

**8.29 NON-DISCRIMINATION IN EMPLOYMENT**

- 8.29.1 CONTRACTOR certifies and agrees that all persons under its employ, its affiliates, subsidiaries, or holding companies, are and will be treated equally by it without regard to or because of race, religion, color, national origin, political affiliation, marital status, sex, age, or handicap, in compliance with all applicable Federal and State non-discrimination laws and regulations. This includes compliance with Executive Order 11246 entitled "Equal Employment Opportunity," Executive Order 11375 and as supplemented in the Department of Labor Regulations (41 CFR Part 60).
- 8.29.2 CONTRACTOR shall take affirmative action to ensure that qualified applicants are employed and that employees are treated during employment without regard to race, religion, color, national origin, political affiliation, marital status, sex, age, or handicap. Such action shall include but is not limited to the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship.

- 8.29.3 CONTRACTOR shall deal with its subcontractors, bidders, or vendors without regard to or because of race, religion, color, national origin, political affiliation, marital status, sex, age, or handicap.
- 8.29.4 CONTRACTOR shall provide access for COUNTY's representatives to inspect CONTRACTOR's employment records during regular business hours in order to verify compliance with the provisions of this section when so requested by COUNTY.
- 8.29.5 If COUNTY finds that any of the above provisions have been violated, the same shall constitute a material breach of contract upon which COUNTY may determine to terminate this Agreement. COUNTY reserves the right to determine independently whether the non-discrimination provisions of this Agreement have been violated. In addition, a determination by the California Fair Employment Opportunity Commission that CONTRACTOR has violated State or Federal non-discrimination laws or regulations shall constitute a finding by COUNTY that CONTRACTOR has violated the non-discrimination provisions of this Agreement.
- 8.29.6 The parties agree that in the event CONTRACTOR violates the non-discrimination provisions of this Agreement, COUNTY shall, at its option, be entitled to a sum of Five Hundred Dollars (\$500.00) pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating this Agreement.

**8.30 NON EXCLUSIVITY**

Nothing herein is intended nor shall be construed as creating any exclusive arrangement with Contractor. This Contract shall not restrict (*Department*) from acquiring similar, equal or like goods and/or services from other entities or sources.

**8.31 NOTICE OF DELAYS**

Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within one (1) day, give notice thereof, including all relevant information with respect thereto, to the other party.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language [In Bold And Italics] replaces the language in the Sample County Contract, 8.31.**

**8.31 NOTICE OF DELAYS**

Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, ~~within one (1) day~~, ***within three (3) working days*** give ***written*** notice thereof, including all relevant information with respect thereto, to the other party.

**8.32 NOTICE OF DISPUTES**

The Contractor shall bring to the attention of the County Project Manager and/or County Project Director any dispute between the County and the Contractor regarding the performance of services as stated in this Contract. If the County Project Manager or County Project Director is not able to resolve the dispute, the (*Department Head*), or designee shall resolve it.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language *replaces* the language in the Sample County Contract, 8.32.**

**8.32 NOTICE OF DISPUTES**

- 8.32.1 CONTRACTOR and COUNTY agree to act promptly and diligently to mutually resolve any disputes which may arise with respect to this Agreement. All such disputes shall be subject to the provisions of this Section 47.0.
- 8.32.2 CONTRACTOR and COUNTY agree that, the existence and details of a dispute notwithstanding, both parties shall continue without delay their performance hereunder, except for any performance which COUNTY determines should be delayed as a result of such dispute. COUNTY shall continue to pay sums not in dispute, during any such period of continued performance.
- 8.32.3 In the event of any dispute between the parties with respect to this Agreement, CONTRACTOR and COUNTY shall submit the matter to their respective Program Managers for the purpose of endeavoring to resolve such dispute.
- 8.32.4 In the event that the Program Managers are unable to resolve the dispute within a reasonable time not to exceed five (5) working days from the date of submission of the dispute to them, then the matter shall immediately be submitted to CONTRACTOR's Assistant to Executive Director and COUNTY's Regional Administrator for further consideration and discussion to attempt to resolve the dispute.
- 8.32.5 In the event that CONTRACTOR's Assistant to Executive Director and COUNTY's Regional Administrator are unable to resolve the dispute within a reasonable time not to exceed five (5) days from the date of submission of the dispute to them, then the matter shall immediately be submitted to CONTRACTOR's Executive Director and to the Director of DCFS for further consideration and discussion to attempt to resolve the dispute.
- 8.32.6 All disputes utilizing this dispute resolution procedure shall at each and every level of escalation be documented in writing by each party and shall state the specifics of each alleged dispute and all actions taken. The parties shall act in good faith to resolve all disputes. At all levels described in this Section 47.0, the efforts to resolve a dispute shall be undertaken by conference between the parties' respective representatives, either orally (by face-to-face meeting or by telephone), or in writing (by exchanging of correspondence).
- 8.32.7 Notwithstanding any other provision of this Agreement, COUNTY's right to terminate this Agreement pursuant to Section 23.0, Termination for Contractor's Default, Section 25.0, Termination for Convenience, or any other termination provision hereunder, and COUNTY's right to seek injunctive relief to enforce the provisions of Section 42.0, Proprietary Rights and Section 31.0, Confidentiality, shall not be subject to this Section 47.0, Dispute Resolution Procedure.

**8.33 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT**

The Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language [In Bold And Italics] is in addition to the language in the Sample County Contract, 8.33.**

**8.33 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT**

The Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015, ***attached as Exhibit \_\_\_\_***.

**8.34 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW**

The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in *Exhibit J* of this Contract and is also available on the Internet at [www.babysafela.org](http://www.babysafela.org) for printing purposes.

**8.35 NOTICES**

All notices or demands required or permitted to be given or made under this Contract shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in *Exhibits E, County's Administration and F, Contractor's Administration*. Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. The (*Department Head*) shall have the authority to issue all notices or demands required or permitted by the County under this Contract.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language *replaces* the language in the Sample County Contract, 8.35.**

**8.35 NOTICES**

- 8.35.1 All notices shall be given in writing by enclosing the same in a sealed envelope addressed to the intended party and by depositing such envelope with postage prepaid in the United States Post Office or any substation or public letterbox. All notices to COUNTY shall be sent in duplicate addressed to the following:

Department of Children and Family Services  
Contract Management Services  
Attention: Contract Administrator  
425 Shatto Place  
Los Angeles, California 90020

All notices to CONTRACTOR shall be sent to CONTRACTOR

Attention: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

or such other person and/or location as may hereinafter be designated in writing by the CONTRACTOR.

- 8.35.2 All notices may also be given upon personal delivery to any person whose actual knowledge would be sufficient notice to CONTRACTOR. Further, it is expressly understood that actual knowledge of an individual CONTRACTOR shall in any

case be sufficient notice. If the CONTRACTOR is a partnership or a corporation, actual knowledge of a partner, officer or member of the corporation, or of the managing agent regularly in charge of the work on behalf of CONTRACTOR, shall also be deemed sufficient.

**PROBATION DEPARTMENT:**

**The following language *replaces* the language in the Sample County Contract, 8.35.**

**8.35 NOTICES**

- 8.35.1 Notices required or permitted to be given under the terms of this contract or by any law now or hereafter in effect may, at the option of the party giving notice, be given by enclosing the same in a sealed envelope addressed to the party for whom intended and by depositing such envelope with postage prepaid in the United States, Post Office or substation thereof, or any public mail box; and any such notice and the envelope containing same shall be addressed to CONTRACTOR at his place of business as designated below, or such other place as may be hereinafter designated in writing by CONTRACTOR. The notices and envelopes containing same to COUNTY shall be addressed to:

Chief Probation Officer  
Los Angeles County Probation Department  
9150 E. Imperial Highway  
Downey, CA 90242

Written notice shall be sent by mail to CONTRACTOR'S Project Director addressed as follows:

Agency Name  
Street Address  
City, State, Zip  
Attn: Project Manager/Exec Director  
Phone number

- 8.35.2 In the event of suspension or termination of the contract, notices may also be given upon personal delivery by COUNTY to any person whose actual knowledge of such suspension or termination would be sufficient notice to CONTRACTOR.
- 8.35.3 The Chief Probation Officer shall have authority to execute all notices required or permitted to be given here.

**8.36 OWNERSHIP OF MATERIALS, SOFTWARE AND COPYRIGHT**  
***(optional language - applies to Information Technology***  
***Contracts only)***

- 8.36.1 County shall be the sole owner of all right, title and interest, including copyright, in and to all software, plans, diagrams, facilities, and tools (hereafter "materials") which are originated or created through Contractor's work pursuant to this Contract. Contractor, for valuable consideration herein provided, shall execute all documents necessary to assign and transfer to, and vest in the County all Contractor's right, title and interest in and to such original materials, including any copyright, patent and trade secret rights which arise pursuant to Contractor's work under this Contract.
- 8.36.2 During the term of this Contract and for five (5) years thereafter, Contractor shall maintain and provide security for all Contractor's working papers prepared under this Contract. County shall have the right to inspect, copy and use at any time during and



subsequent to the term of this Contract, any and all such working papers and all information contained therein.

- 8.36.3 Any and all materials, software and tools which are developed or were originally acquired by Contractor outside the scope of this Contract, which Contractor desires to use hereunder, and which Contractor considers to be proprietary or confidential, must be specifically identified by Contractor to County's Project Manager as proprietary or confidential, and shall be plainly and prominently marked by Contractor as "Propriety" or "Confidential" on each appropriate page of any document containing such material.
- 8.36.4 County will use reasonable means to ensure that Contractor's proprietary and/or confidential items are safeguarded and held in confidence. County agrees not to reproduce, distribute or disclose to non-County entities any such proprietary and/or confidential items without the prior written consent of Contractor.
- 8.36.5 Notwithstanding any other provision of this Contract County will not be obligated to Contractor in any way under Sub-paragraph 8.36.4 for any of Contractor's proprietary and/or confidential items which are not plainly and prominently marked with restrictive legends as required by Sub-paragraph 8.36.3 or for any disclosure which County is required to make under any state or federal law or order of court.
- 8.36.6 All the rights and obligations of this Sub-paragraph 8.36 shall survive the expiration or termination of this Contract.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language replaces/is in addition to Sample County Contract Language, 8.36.**

**8.36 OWNERSHIP OF MATERIALS, SOFTWARE AND COPYRIGHTS**

***(Replacement Language In Bold)***

- 8.36.1 **COUNTY and CONTRACTOR agree that COUNTY shall have all ownership rights in software or modification thereof and associated documentation designed, developed or installed with Federal financial participation; additionally, the Federal Government shall have a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use for Federal Government purposes, such software, modifications and documentation. Notwithstanding any other provision of this Agreement, proprietary operating/vendor software packages (e.g., ADABAS or TOTAL) which are provided at established catalog or market prices and sold or leased to the general public shall not be subject to the ownership provisions of this Section. CONTRACTOR may retain possession of all working papers prepared by CONTRACTOR.**

***(Replacement Language in Bold and Italics)***

- 8.36.2 During the term of this Contract and for five (5) years thereafter, Contractor shall maintain and provide security for all Contractor's working papers prepared under this Contract. ***CONTRACTOR shall protect the security of and keep confidential all materials, data and information received or produced under this Agreement. Further, CONTRACTOR shall use whatever security measures are necessary to protect all such materials, data and information from loss or damage by any cause, including, but not limited to, fire and theft.***

***(Additional Language in Bold and Italics)***

- 8.36.3 Any and all materials, software and tools which are developed or were originally acquired by Contractor outside the scope of this Contract, which Contractor desires to use hereunder, and which Contractor considers to be proprietary or

confidential, must be specifically identified by Contractor to County's Project Manager as proprietary or confidential, and shall be plainly and prominently marked by Contractor as "Propriety" or "Confidential" **or TRADE SECRET** on each appropriate page of any document containing such material.

***(Additional Language in Bold and Italics)***

8.36.4 County will use reasonable means to ensure that Contractor's proprietary and/or confidential items are safeguarded and held in confidence. ***However, COUNTY will notify CONTRACTOR of any Public Records request for items described in Section 42.2.*** County agrees not to reproduce, distribute or disclose to non-County entities any such proprietary and/or confidential items without the prior written consent of Contractor.

***(Replacement Language In Bold)***

8.36.5 **Notwithstanding any other provision of this Agreement, COUNTY shall not be obligated in any way under Section 42.3 for:**

8.36.5.1 **Any material, data and information not plainly and prominently marked with restrictive legends as set forth in Section 42.2;**

8.36.5.2 **Any materials, data and information covered under Section 42.1; and**

8.36.5.3 **Any disclosure of any materials, data and information which COUNTY is required to make under the California Public Records Act or otherwise by law.**

***(No Change Language)***

8.36.6 All the rights and obligations of this Sub-paragraph 8.35 shall survive the expiration or termination of this Contract.

***(Additional Language In Bold)***

8.36.7 **CONTRACTOR shall not disclose to any party any information identifying, characterizing or relating to any risk, threat, vulnerability, weakness or problem regarding data security in COUNTY's computer systems or to any safeguard, countermeasure, contingency plan, policy or procedure for data security contemplated or implemented by COUNTY, without COUNTY's prior written consent.**

**8.37 PATENT, COPYRIGHT & TRADE SECRET INDEMNIFICATION**

***(optional language - applies to Information Technology Contracts only)***

8.37.1 Contractor shall indemnify, hold harmless and defend County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, for or by reason of any actual or alleged infringement of any third party's patent or copyright, or any actual or alleged unauthorized trade secret disclosure, arising from or related to the operation and utilization of Contractor's work under this Contract. County shall inform Contractor as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure, and shall support Contractor's defense and settlement thereof.

8.37.2 In the event any equipment, part thereof, or software product becomes the subject of any complaint, claim, or proceeding alleging infringement or unauthorized disclosure, such that County's continued use of such item is formally restrained, enjoined, or subjected to a risk of damages, Contractor, at its sole expense, and providing that County's continued use of the system is not materially impeded, shall either:

- Procure for County all rights to continued use of the questioned equipment, part, or software product; or
- Replace the questioned equipment, part, or software product with a non-questioned item; or
- Modify the questioned equipment, part, or software so that it is free of claims.

8.37.3 Contractor shall have no liability if the alleged infringement or unauthorized disclosure is based upon a use of the questioned product, either alone or in combination with other items not supplied by Contractor, in a manner for which the questioned product was not designed nor intended.

#### **8.38 PROHIBITION AGAINST INDUCEMENT OR PERSUASION**

Notwithstanding the above, the Contractor and the County agree that, during the term of this Contract and for a period of one year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

#### **8.39 PUBLIC RECORDS ACT**

8.39.1 Any documents submitted by Contractor; all information obtained in connection with the County's right to audit and inspect Contractor's documents, books, and accounting records pursuant to Sub-paragraph 8.41 - Record Retention and Inspection/Audit Settlement of this Contract; as well as those documents which were required to be submitted in response to the Request for Proposals (RFP) used in the solicitation process for this Contract, become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

8.39.2 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "trade secret", "confidential", or "proprietary", the Contractor agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney's fees, in action or liability arising under the Public Records Act.

#### **8.40 PUBLICITY**

8.40.1 The Contractor shall not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the Contractor's need to identify its services and related clients to sustain itself, the County shall not inhibit the Contractor from publishing its role under this Contract within the following conditions:

- The Contractor shall develop all publicity material in a professional manner; and
- During the term of this Contract, the Contractor shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the County without the prior written consent of the County's Project Director. The County shall not unreasonably withhold written consent.

8.40.2 The Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Contract with the County of Los Angeles, provided that the requirements of this Sub-paragraph 8.40 shall apply.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language *replaces* Sample County Contract Language, 8.40.1.**

**8.40 PUBLICITY**

- 8.40.1 During the course of performance of this Agreement, the CONTRACTOR, its employees, agents, and subcontractors shall not publish or disseminate commercial advertisements, press releases, opinions or feature articles, using the name of the COUNTY without the prior written consent of the COUNTY. Said consent shall not be unreasonably withheld, and approval by the COUNTY may be assumed in the event no adverse comments are received in writing two (2) weeks after submittal.

**8.41 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT**

The Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. The Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Contract. The Contractor agrees that the County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or records relating to this Contract. All such material, including, but not limited to, all financial records, timecards and other employment records, and proprietary data and information, shall be kept and maintained by the Contractor and shall be made available to the County during the term of this Contract and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Contractor shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

- 8.41.1 In the event that an audit of the Contractor is conducted specifically regarding this Contract by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor shall file a copy of such audit report with the County's Auditor-Controller within thirty (30) days of the Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. The County shall make a reasonable effort to maintain the confidentiality of such audit report(s).

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language *replaces/is in addition to* Sample County Contract Language, 8.41.1.**

**8.41 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT**

- 8.41.1 If, at any time during the term of this Contract or within five (5) years after the expiration or termination of this Contract, ***authorized*** representatives of the County may conduct an audit of the Contractor regarding the work performed under this Contract, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference shall be either: ~~a) repaid by the Contractor to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to the Contractor from the County, whether under this Contract or otherwise~~ ***(1) repaid forthwith by CONTRACTOR to COUNTY by cash payment; or (2) at COUNTY's option, credited against future payments hereunder to CONTRACTOR.*** If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor, then the difference shall be paid to the Contractor by the County by cash payment,

provided that in no event shall the County's maximum obligation for this Contract exceed the funds appropriated by the County for the purpose of this Contract **Maximum Contract Sum.**

- 8.41.2 Failure on the part of the Contractor to comply with any of the provisions of this Subparagraph 8.41 shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.
- 8.41.3 If, at any time during the term of this Contract or within five (5) years after the expiration or termination of this Contract, representatives of the County may conduct an audit of the Contractor regarding the work performed under this Contract, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference shall be either: a) repaid by the Contractor to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to the Contractor from the County, whether under this Contract or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor, then the difference shall be paid to the Contractor by the County by cash payment, provided that in no event shall the County's maximum obligation for this Contract exceed the funds appropriated by the County for the purpose of this Contract.

**DEPARTMENT OF PUBLIC SOCIAL SERVICES:**

**The following language is in addition to the language in the Sample County Contract, 8.41.4.**

**8.41 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT**

- 8.41.1 [No Change]
- 8.41.2 [No Change]
- 8.41.3 [No Change]
- 8.41.4 The County may require specific records be retained longer than five (5) years after expiration or termination of this Contract when there is outstanding litigation, unresolved disputes, or any audit.

**8.42 RECYCLED BOND PAPER**

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on this Contract.

**8.43 SUBCONTRACTING**

- 8.43.1 The requirements of this Contract may not be subcontracted by the Contractor **without the advance approval of the County**. Any attempt by the Contractor to subcontract without the prior consent of the County may be deemed a material breach of this Contract.
- 8.43.2 If the Contractor desires to subcontract, the Contractor shall provide the following information promptly at the County's request:
- A description of the work to be performed by the subcontractor;
  - A draft copy of the proposed subcontract; and
  - Other pertinent information and/or certifications requested by the County.
- 8.43.3 The Contractor shall indemnify and hold the County harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such subcontractor(s) were Contractor employees.

- 8.43.4 The Contractor shall remain fully responsible for all performances required of it under this Contract, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.
- 8.43.5 The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Contract. The Contractor is responsible to notify its subcontractors of this County right.
- 8.43.6 The County's Project Director is authorized to act for and on behalf of the County with respect to approval of any subcontract and subcontractor employees.
- 8.43.7 The Contractor shall be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.
- 8.43.8 The Contractor shall obtain certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by the County from each approved subcontractor. The Contractor shall ensure delivery of all such documents to: \_\_\_\_\_ before any subcontractor employee may perform any work hereunder.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language *replaces* Sample County Contract Language, 8.43.**

**8.43 SUBCONTRACTING**

***(Use This Language When The County Is Not Giving The Contractor Blanket Approval To Subcontract.)***

- 8.43.1 No performance of this Agreement or any portion thereof may be subcontracted by CONTRACTOR without the express written authority of COUNTY's Director. Any attempt by CONTRACTOR to subcontract performance of any of the terms of this Agreement, in whole or in part, without said consent shall be null and void and shall constitute a breach of the terms of this Agreement. In the event of such a breach, this Agreement may be terminated forthwith. CONTRACTOR shall submit each subcontract to the COUNTY for written approval prior to subcontractor performing any work hereunder.
- 8.43.2 All of the provisions of this Agreement and any amendment(s) hereto shall extend to and be binding upon subcontractors, provided that assignment or delegation of rights under a subcontract by subcontractors shall not require COUNTY approval. The CONTRACTOR shall include in all subcontracts the following provision: "This Agreement is a subcontract under the terms of a prime contract with the COUNTY of Los Angeles. All representations and warranties contained in this subcontract shall inure to the benefit of the COUNTY of Los Angeles."
- 8.43.3 CONTRACTOR shall indemnify and hold COUNTY harmless from any and all liability arising or resulting from the use of any subcontractor and its employees in the same manner and to the same extent that CONTRACTOR indemnifies COUNTY from any and all liability arising from or resulting from the actions or omissions of its own employees.
- 8.43.4 CONTRACTOR shall obtain the following from each subcontractor before any subcontractor employee may perform any work under any subcontract to this Agreement. CONTRACTOR shall maintain and make available upon request of Program Manager all the following documents:



- 8.43.4.1 An executed Employee Acknowledgment and Confidentiality Agreement **\*\*\* (INSERT APPROPRIATE EXHIBIT ALPHABET LETTER) \*\*\*** executed by each subcontractor and each of subcontractor's employees approved to perform work hereunder,
- 8.43.4.2 Certificates of Insurance which establish that the subcontractor maintains all the programs of insurance required by Section 10.0, Insurance Coverage Requirements, of this Agreement, and
- 8.43.4.3 The Tax Identification Number of the subcontracting agency to be placed on the signature page of the subcontract. This Tax Identification Number shall not be identical to the CONTRACTOR's Tax Identification Number.
- 8.43.5 CONTRACTOR shall provide Program Manager with copies of all executed subcontracts after Program Manager's approval.
- 8.43.6 No subcontract shall alter in any way any legal responsibility of CONTRACTOR to COUNTY. CONTRACTOR shall remain responsible for any and all performance required of it under this Agreement, including, but not limited to, the obligation to properly supervise, coordinate, and perform all work required hereunder.
- 8.43.7 Notwithstanding any other provision of this Agreement, the parties do not in any way intend that any person or entity shall acquire any rights as a third party beneficiary of this Agreement.
- 8.43.8 CONTRACTOR shall be solely liable and accountable for any and all payments and other compensation to all subcontractor's engaged hereunder and their officers, employees, and agents. COUNTY shall have no liability or responsibility whatsoever for any payment or other compensation for any subcontractors or their officers, employees, and agents.

#### **8.43 SUBCONTRACTING**

***(Use This Language Whenever The County Has Already Given The Contractor Approval To Subcontract.)***

- 8.43.1 CONTRACTOR may subcontract with the **\*\*\* (INSERT subcontractor(s) NAME) \*\*\*** or **\*\*\* (INSERT "as listed in Exhibit A, Statement of Work") \*\*\*** herein, to provide services required in this Agreement. Such subcontracting is approved by COUNTY subject to the provisions of this Section 14.0, Subcontracting. Any other attempt by CONTRACTOR to subcontract performance of any of the terms of this Agreement not expressed herein, in whole or in part, without consent of the Director, shall be null and void and shall constitute a breach of the terms of this Agreement. In the event of such a breach, this Agreement may be terminated forthwith. CONTRACTOR shall submit each subcontract to the COUNTY for written approval prior to subcontractor performing any work hereunder.
- 8.43.2 All of the provisions of this Agreement and any amendment(s) hereto shall extend to and be binding upon subcontractors, provided that assignment or delegation of rights under a subcontract by subcontractors shall not require COUNTY approval. The CONTRACTOR shall include in all subcontracts the following provision: "This Agreement is a subcontract under the terms of a prime contract with the COUNTY of Los Angeles. All representations and warranties contained in this subcontract shall inure to the benefit of the COUNTY of Los Angeles."

- 8.43.3 CONTRACTOR shall indemnify and hold COUNTY harmless from any and all liability arising or resulting from the use of any subcontractor and its employees in the same manner and to the same extent that CONTRACTOR indemnifies COUNTY from any and all liability arising from or resulting from the actions or omissions of its own employees.
- 8.43.4 CONTRACTOR shall obtain the following from each subcontractor before any subcontractor employee may perform any work under any subcontract to this Agreement. CONTRACTOR shall maintain and make available upon request of Program Manager all the following documents:
- 8.43.4.1 An executed Employee Acknowledgment and Confidentiality Agreement **\*\*\* (INSERT APPROPRIATE EXHIBIT ALPHABET LETTER) \*\*\*** executed by each subcontractor and each of subcontractor's employees approved to perform work hereunder,
- 8.43.4.2 Certificates of Insurance which establish that the subcontractor maintains all the programs of insurance required by Section 10.0, Insurance Coverage Requirements, **(BE SURE TO CHECK SECTION NUMBER)** of this Agreement, and
- 8.43.4.3 The Tax Identification Number of the subcontracting agency to be placed on the signature page of the subcontract. This Tax Identification Number shall not be identical to the CONTRACTOR's Tax Identification Number.
- 8.43.5 CONTRACTOR shall provide Program Manager with copies of all executed subcontracts after Program Manager's approval.
- 8.43.6 No subcontract shall alter in any way any legal responsibility of CONTRACTOR to COUNTY. CONTRACTOR shall remain responsible for any and all performance required of it under this Agreement, including, but not limited to, the obligation to properly supervise, coordinate, and perform all work required hereunder.
- 8.43.7 Notwithstanding any other provision of this Agreement, the parties do not in any way intend that any person or entity shall acquire any rights as a third party beneficiary of this Agreement.
- 8.43.8 CONTRACTOR shall be solely liable and accountable for any and all payments and other compensation to all subcontractor's engaged hereunder and their officers, employees, and agents. COUNTY shall have no liability or responsibility whatsoever for any payment or other compensation for any subcontractors or their officers, employees, and agents.

**8.44 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN CHILD SUPPORT COMPLIANCE**

Failure of the Contractor to maintain compliance with the requirements set forth in Sub-paragraph 8.16 - Contractor's Warranty of Adherence to County's Child Support Compliance Program, shall constitute a default by the Contractor under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure to cure such default within 90 days of notice by the Los Angeles County Child Support Services Department shall be grounds upon which the Board of Supervisors may terminate this Contract pursuant to Sub-paragraph 8.46 - Termination for Default.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language [In Bold And Italics] replaces Sample County Contract Language, 8.44.**

**8.44 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN CHILD SUPPORT COMPLIANCE**

Failure of the Contractor to maintain compliance with the requirements set forth in Sub-paragraph 8.15 - Contractor's Warranty of Adherence to County's Child Support Compliance Program, shall constitute a default by the Contractor under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure to cure such default within 90 days of notice by the Los Angeles County ~~Child Support Services Department~~ **District Attorney** shall be grounds upon which the Board of Supervisors may terminate this Contract pursuant to Sub-paragraph 8.45 - Termination for Default.

**8.45 TERMINATION FOR CONVENIENCE**

8.45.1 This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.

8.45.2 After receipt of a notice of termination and except as otherwise directed by the County, the Contractor shall:

- Stop work under this Contract on the date and to the extent specified in such notice, and
- Complete performance of such part of the work as shall not have been terminated by such notice.

8.45.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Contract shall be maintained by the Contractor in accordance with Sub-paragraph 8.41, Record Retention & Inspection/Audit Settlement.

**PROBATION DEPARTMENT:**

**The following language is in addition to the language in the Sample County Contract, 8.45.**

**8.45 TERMINATION FOR CONVENIENCE**

8.45.4 After receipt of a Notice of Termination, CONTRACTOR shall submit to COUNTY, in the form and with the certifications as may be prescribed by COUNTY, his termination claim and invoice. Such claim and invoice shall be submitted promptly, but not later than three (3) months from the effective date of termination. Upon failure of CONTRACTOR to submit his termination claim and invoice within the time allowed, COUNTY may determine on the basis of information available to COUNTY, the amount, if any, due to CONTRACTOR in respect to the termination and such determination shall be final. After such determination is made, COUNTY shall pay CONTRACTOR the amount so determined.

8.45.5 Subject to the provisions of the paragraph immediately above, COUNTY and CONTRACTOR shall negotiate an equitable amount to be paid CONTRACTOR by reason of the total or partial termination of work pursuant to this clause. Said amount may include a reasonable allowance for profit on work done but shall not include an allowance on work terminated. COUNTY shall pay the agreed amount; subject to other limitations and provided that such amount shall not exceed the

total funding obligated under this contract as reduced by the amount of payments otherwise made and as further reduced by the contract price of work not terminated.

- 8.45.6 All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Contract shall be maintained by the Contractor in the CONTRACTOR'S program.

#### **8.46 TERMINATION FOR DEFAULT**

- 8.46.1 The County may, by written notice to the Contractor, terminate the whole or any part of this Contract, if, in the judgment of County's Project Director:
- Contractor has materially breached this Contract;
  - Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or
  - Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.
- 8.46.2 In the event that the County terminates this Contract in whole or in part as provided in Sub-paragraph 8.46.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The Contractor shall be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. The Contractor shall continue the performance of this Contract to the extent not terminated under the provisions of this sub-paragraph.
- 8.46.3 Except with respect to defaults of any subcontractor, the Contractor shall not be liable for any such excess costs of the type identified in Sub-paragraph 8.46.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule. As used in this Sub-paragraph 8.46.3, the terms "subcontractor" and "subcontractors" mean subcontractor(s) at any tier.
- 8.46.4 If, after the County has given notice of termination under the provisions of this Sub-paragraph 8.46, it is determined by the County that the Contractor was not in default under the provisions of this Sub-paragraph 8.46, or that the default was excusable under the provisions of Sub-paragraph 8.46.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Sub-paragraph 8.45 - Termination for Convenience.
- 8.46.5 In the event the County terminates this Contract in its entirety due to the Contractor's default as provided in Sub-paragraph 8.46.1, the Contractor and the County agree that the County will have actual damages, which are extremely difficult to calculate and impracticable to fix and which will include, but are not limited to, the County's costs of procurement of replacement services and costs incurred due to delays in procuring such

services. Therefore, the Contractor and the County agree that the County shall, at its sole option and in lieu of the provisions of Sub-paragraph 8.46.2, be entitled to liquidated damages from the Contractor, pursuant to California Civil Code Section 1671, in the amount of Five Thousand Dollars (\$5,000) or five percent (5%) of the applicable year's Contract sum, whichever is less, as equitable compensation to the County for such actual damages. This amount of liquidated damages shall be either paid by the Contractor to the County by cash payment upon demand or, at the sole discretion of the *(Department)*, or designee, deducted from any amounts due to the Contractor by the County, whether under this Contract or otherwise.

These liquidated damages shall be in addition to any credits, which the County is otherwise entitled to under this Contract, and the Contractor's payment of these liquidated damages shall not in any way change, or affect the provisions of Sub-paragraph 8.24 - Indemnification.

- 8.46.6 The rights and remedies of the County provided in this Sub-paragraph 8.46 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### **8.47 TERMINATION FOR IMPROPER CONSIDERATION**

- 8.47.1 The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Contract if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment, or extension of this Contract or the making of any determinations with respect to the Contractor's performance pursuant to this Contract. In the event of such termination, the County shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

- 8.47.2 The Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861.

- 8.47.3 Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

#### **8.48 TERMINATION FOR INSOLVENCY**

- 8.48.1 The County may terminate this Contract forthwith in the event of the occurrence of any of the following:

- Insolvency of the Contractor. The Contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Contractor is insolvent within the meaning of the Federal Bankruptcy Code;
- The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;
- The appointment of a Receiver or Trustee for the Contractor; or
- The execution by the Contractor of a general assignment for the benefit of creditors.

- 8.48.2 The rights and remedies of the County provided in this Sub-paragraph 8.48 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

**8.49 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE**

The Contractor, and each County Lobbyist or County Lobbying firm as defined in County Code Section 2.160.010 retained by the Contractor, shall fully comply with the County's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of the Contractor or any County Lobbyist or County Lobbying firm retained by the Contractor to fully comply with the County's Lobbyist Ordinance shall constitute a material breach of this Contract, upon which the County may in its sole discretion, immediately terminate or suspend this Contract.

**8.50 TERMINATION FOR NON-APPROPRIATION OF FUNDS**

Notwithstanding any other provision of this Contract, the County shall not be obligated for the Contractor's performance hereunder or by any provision of this Contract during any of the County's future fiscal years unless and until the County's Board of Supervisors appropriates funds for this Contract in the County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Contract, then this Contract shall terminate as of June 30 of the last fiscal year for which funds were appropriated. The County shall notify the Contractor in writing of any such non-allocation of funds at the earliest possible date.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language *replaces* Sample County Contract Language, 8.50.**

**8.50 TERMINATION FOR NON-APPROPRIATION OF FUNDS**

- 8.50.1 COUNTY's obligation is payable only and solely from funds appropriated for the purpose of this Agreement.
- 8.50.2 All funds for payment are conditioned upon the COUNTY Board of Supervisors' appropriation of sufficient funds for this purpose. Payments during subsequent fiscal year periods are dependent upon similar Board of Supervisors' action.
- 8.50.3 In the event the COUNTY Board of Supervisors does not allocate sufficient funds for the next succeeding fiscal year to meet the CONTRACTOR's anticipated obligations to providers under contracts, then services may be: (1) terminated in their entirety; or (2) reduced in accordance with available funding as deemed necessary by the COUNTY. COUNTY shall notify CONTRACTOR in writing of any such non-allocation of funds at the earliest possible date.
- 8.50.4 In the event that the COUNTY's Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in the salaries and benefits paid to the majority of COUNTY employees and imposes similar reductions with respect to COUNTY contracts, the COUNTY reserves the right to reduce its payment obligation correspondingly for that fiscal year and any subsequent fiscal year for services provided by the CONTRACTOR under this Agreement. The COUNTY's notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such actions. Notwithstanding such reduction, the CONTRACTOR shall continue to provide all of the services set forth in this Agreement.



**COMMUNITY AND SENIOR SERVICES:**

**The following language is in addition to the language in the Sample County Contract, 8.50.**

**8.50 TERMINATION FOR NON-APPROPRIATION OF FUNDS**

**8.50.1 Suspension of Contract**

The County may, by giving notice, suspend all or part of the program operations for [insert number] days for Contractor failure to comply with the terms and conditions of this contract. The Notice of Suspension, which shall be effective upon the date of posting, shall set forth the only conditions of non-compliance and the period provided for corrective action. Within ten (10) working days from the date of the Notice of Suspension, the Contractor shall reply in writing, setting forth the corrective action(s) which will be undertaken, subject to the County's approval in writing. Failure to reply in accordance with this section may result in termination by the County of all or part of the contract.

**8.50.2 Probation**

- (a) The County Project Director may place the Contractor on probationary status when it is determined by the County Project Director for any program(s) herein that the Contractor either (1) has demonstrated a consistent and significant lack of achievement of Participant summary goals, or (2) is out of compliance with County sanction policy guidelines.
- (b) If the Contractor is placed on probationary status, the Contractor shall submit a corrective action plan within ten (10) days of the notice of probationary status. The Contractor's Corrective Action Plan (CAP) must be approved by the County Project Director. The County reserves the right to terminate contract(s) of any contractor on probationary status if the contractor does not submit an acceptable corrective action plan or fails to meet the goals of an approved corrective action plan.

**8.51 VALIDITY**

If any provision of this Contract or the application thereof to any person or circumstance is held invalid, the remainder of this Contract and the application of such provision to other persons or circumstances shall not be affected thereby.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language replaces Sample County Contract Language, 8.51.**

**8.51 VALIDITY**

The invalidity, unenforceability, or illegality of any provision of this Agreement shall not render the other provisions thereof invalid, unenforceable, or illegal.

**8.52 WAIVER**

No waiver by the County of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this Sub-paragraph 8.52 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language is in addition to Sample County Contract Language, 8.52.**

**8.52 WAIVER**

***(Additional Language in Bold and Italics)***

No waiver by the County of any breach of any provision of this Contract ***shall be in writing and*** shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this Sub-paragraph 8.51 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

**8.53 WARRANTY AGAINST CONTINGENT FEES**

8.53.1 The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon any Contract or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

8.53.2 For breach of this warranty, the County shall have the right to terminate this Contract and, at its sole discretion, deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language replaces Sample County Contract Language, 8.53.**

**8.53 WARRANTY AGAINST CONTINGENT FEES**

8.53.1 CONTRACTOR warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement for either a flat fee, a percentage commission or any other form of remuneration.

8.53.2 For breach or violation of this covenant, COUNTY shall have the right to terminate this Agreement and/or, at its sole discretion, require the CONTRACTOR to repay any funds converted to such use prior to any payment for past work or performance of any future work.

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language is in addition to the language in the Sample County Contract.**

**8.54 CHILD ABUSE PREVENTION REPORTING**

8.54.1 CONTRACTOR agrees that the safety of the child will always be the first priority. To ensure the safety of children, CONTRACTOR will immediately notify COUNTY and the Child Abuse Hotline whenever CONTRACTOR reasonably suspects that a child has been a victim of abuse and/or is in danger of future abuse. The CONTRACTOR will remain with the child if imminent risk is present.

8.54.2 CONTRACTOR shall ensure that all known or suspected instances of child abuse are reported to a child protective agency as defined in Section 11164, et. seq. of the Penal Code. This responsibility shall include:

8.54.2.1 A requirement that all employees, consultants, or agents performing services under this Agreement who are required by Penal Code, Section 11166(a), to report child abuse, sign a statement that he or she knows of the reporting requirements and will comply with them.

8.54.2.2 The establishment of procedures to ensure reporting even when employees, consultants or agents who are not required to report child abuse under California Penal Code Section 11166, gain knowledge of, or reasonably suspect that a child had been a victim of abuse or neglect.

8.54.2.3 The assurance that all employees of CONTRACTOR and subcontractors understand that the safety of the child is always the first priority.

#### **8.55 COMMUNITY BUSINESS ENTERPRISES PROGRAM**

In accordance with COUNTY policy, CONTRACTOR has submitted a true and correct copy of the Certification Application which is attached as Exhibit XXX **\*\*\* (INSERT EXHIBIT NUMBER) \*\*\***.

#### **8.56 EMPLOYEE BENEFITS AND TAXES**

8.56.1 CONTRACTOR shall be solely responsible for providing to, or on behalf of its employees, all legally required salaries, wages, benefits, or other compensation.

8.56.2 COUNTY shall have no liability or responsibility for any taxes, including, without limitation, sales, income, employee withholding and/or property taxes which may be imposed in connection with or resulting from this Agreement or CONTRACTOR's performance hereunder.

#### **8.57 FIXED ASSETS**

Title to all fixed assets purchased with COUNTY funds designated by the COUNTY for that purpose under this Agreement shall remain with COUNTY. A "Fixed Asset" is defined hereunder as any equipment costing Five Thousand Dollars (\$5,000.00) or more, with a useful life of more than one year. Such assets shall be maintained and repaired by CONTRACTOR during the term of this Agreement. CONTRACTOR shall provide an accounting of such assets at the termination or expiration of this Agreement and shall deliver same to COUNTY upon COUNTY's written request. CONTRACTOR shall have the option upon the expiration or termination of the Agreement to acquire such assets at a price to be mutually agreed upon by COUNTY and CONTRACTOR.

#### **8.58 FORMER FOSTER YOUTH CONSIDERATION**

8.58.1 Should CONTRACTOR require additional or replacement personnel after the effective date of this Agreement to perform services set forth herein, CONTRACTOR shall give consideration (after COUNTY employees, and GAIN/GROW participants as described in Sections 37.0 and 38.0, respectively) for any such position(s) to qualified former foster youth. CONTRACTOR shall notify COUNTY of any new or vacant positions(s) within CONTRACTOR's firm by sending via U.S. mail or facsimile, a list denoting any position(s) for which hiring is anticipated to:

Department of Children and Family Services  
425 Shatto Place, Room 307  
Los Angeles, California 90020  
FAX: (213) 383-3773

8.58.2 The notice sent by CONTRACTOR must indicate the position(s)/title(s) for vacant or new employment opportunity, description of same, requirements/qualifications for position(s), anticipated pay rate or salary schedule, the location where application(s)/requests for application(s) may be sent, final date of acceptance for applications, and any special circumstances relevant to the hiring procedure for said position.

8.58.3 CONTRACTOR is exempt from the provisions of this Section 85.8 if it is a governmental entity.

#### **8.59 MANDATORY REQUIREMENT TO REGISTER ON COUNTY'S WEBVEN**

CONTRACTOR represents and warrants that it has registered in the COUNTY's WebVen. Prior to a contract award, all potential contractors must register in the COUNTY's WebVen. The WebVen contains the vendor's business profile and identifies the goods/services the business provides. Registration can be accomplished online via the Internet by accessing the COUNTY's home page at [http://lacounty.info/doing\\_business/main\\_db.htm](http://lacounty.info/doing_business/main_db.htm). (There are underscores in the address between the words 'doing business' and 'main db'.)

#### **8.60 PERFORMANCE SECURITY REQUIREMENTS <sup>\*\*\*</sup>(if appropriate)<sup>\*\*\*</sup>**

8.60.1 Such Surety may be provided by one of the following forms and conditioned upon faithful performance and satisfactory completion of services by CONTRACTOR.

8.60.1.1 Performance BOND: A faithful performance bond in an amount equal to 100% of the Agreement award amount and executed by a corporate surety licensed to transact business in the State of California, or

8.60.1.2 Certificate of Deposit (CD) or Letter of Credit (LOC): A CD or an irrevocable LOC payable to the COUNTY upon demand in an amount not less than \$XXXX (determined by DCFS). Such CD or LOC shall comply with minimum criteria and standards established by the COUNTY and be maintained throughout the term of the Agreement.

#### **DEPARTMENT OF HEALTH SERVICES:**

**The following language is in addition to the language in the Sample County Contract.**

**Note:** *For all Department of Health Services contracts that require Health Insurance Portability and Accountability Act language, use either the following language in 8.54, or the language in 8.55, or the language in 8.56 below.*

#### **8.54 CONTRACTOR'S OBLIGATION AS A BUSINESS ASSOCIATE UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996**

Under this Agreement, Contractor (also Business Associate) provides services to County (also Covered Entity) and Business Associate receives, has access to or creates Protected Health Information in order to provide those services. Covered Entity is subject to the Administrative Simplification requirements of the Health Insurance Portability and Accountability Act of 1996, and regulations promulgated thereunder, including the Standards for Privacy of Individually Identifiable Health Information at 45 Code of Federal Regulations Parts 160 and 164 ("Privacy Regulations");

The Privacy Regulations require Covered Entity to enter into a contract with Business Associate in order to mandate certain protections for the privacy and security of Protected Health Information, and those Regulations prohibit the disclosure to or use of Protected Health Information by Business Associate if such a contract is not in place;

Therefore, the parties agree as follows:

#### **8.54.1 DEFINITIONS**

- 8.54.1.1 "Disclose" and "Disclosure" mean, with respect to Protected Health Information, the release, transfer, provision of access to, or divulging in any other manner of Protected Health Information outside Business Associate's internal operations or to other than its employees.
- 8.54.1.2 "Individual" means the person who is the subject of Protected Health Information and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502(g).
- 8.54.1.3 "Protected Health Information" has the same meaning as the term "protected health information" in 45 C.F.R. § 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity. Protected Health Information includes information that (i) relates to the past, present or future physical or mental health or condition of an Individual; the provision of health care to an Individual, or the past, present or future payment for the provision of health care to an Individual; (ii) identifies the Individual (or for which there is a reasonable basis for believing that the information can be used to identify the Individual); and (iii) is received by Business Associate from or on behalf of Covered Entity, or is created by Business Associate, or is made accessible to Business Associate by Covered Entity.
- 8.54.1.4 "Required By Law" means a mandate contained in law that compels an entity to make a Use or Disclosure of Protected Health Information and that is enforceable in a court of law. Required by law includes, but is not limited to, court orders and court-ordered warrants; subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or any administrative body authorized to require the production of information; a civil or an authorized investigative demand; Medicare conditions of participation with respect to health care providers participating in the program; and statutes or regulations that require the production of information, including statutes or regulations that require such information if payment is sought under a government program providing benefits.
- 8.54.1.5 "Services" has the same meaning as in the body of this Agreement.
- 8.54.1.6 "Use" or "Uses" mean, with respect to Protected Health Information, the sharing, employment, application, utilization, examination or analysis of such Information within Business Associate's internal operations.
- 8.54.1.7 Terms used, but not otherwise defined, in this Paragraph \_\_\_\_ shall have the same meaning as those terms in the Privacy Regulations.

#### **8.54.2 OBLIGATIONS OF BUSINESS ASSOCIATE**

- 8.54.2.1 Permitted Uses and Disclosures of Protected Health Information.  
Business Associate:
- (a) shall Use and Disclose Protected Health Information as necessary to perform the Services, and as provided in Sections 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 4.3 and 5.2 of this Agreement;

- (b) shall Disclose Protected Health Information to Covered Entity upon request;
- (c) may, as necessary for the proper management and administration of its business or to carry out its legal responsibilities:
  - (i) Use Protected Health Information; and
  - (ii) Disclose Protected Health Information if the Disclosure is Required by Law.

Business Associate shall not Use or Disclose Protected Health Information for any other purpose.

8.54.2.2 Adequate Safeguards for Protected Health Information. Business Associate warrants that it shall implement and maintain appropriate safeguards to prevent the Use or Disclosure of Protected Health Information in any manner other than as permitted by this Paragraph \_\_\_\_\_. Business Associate agrees to limit the Use and Disclosure of Protected Health Information to the minimum necessary in accordance with the Privacy Regulation's minimum necessary standard.

8.54.2.3 Reporting Non-Permitted Use or Disclosure. Business Associate shall report to Covered Entity each Use or Disclosure that is made by Business Associate, its employees, representatives, agents or subcontractors but is not specifically permitted by this Agreement. The initial report shall be made by telephone call to [the Departmental Privacy Officer], telephone number \_\_\_\_\_ within forty-eight (48) hours from the time the Business Associate becomes aware of the non-permitted Use or Disclosure, followed by a full written report no later than ten (10) business days from the date the Business Associate becomes aware of the non-permitted Use or Disclosure to the Chief Information Privacy Officer at:

Chief Information Privacy Officer  
Kenneth Hahn Hall of Administration  
500 West Temple Street, Suite 493  
Los Angeles, CA 90012

8.54.2.4 Mitigation of Harmful Effect. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a Use or Disclosure of Protected Health Information by Business Associate in violation of the requirements of this Paragraph \_\_\_\_\_.

8.54.2.5 Availability of Internal Practices, Books and Records to Government Agencies. Business Associate agrees to make its internal practices, books and records relating to the Use and Disclosure of Protected Health Information available to the Secretary of the federal Department of Health and Human Services for purposes of determining Covered Entity's compliance with the Privacy Regulations. Business Associate shall immediately notify Covered Entity of any requests made by the Secretary and provide Covered Entity with copies of any documents produced in response to such request.

8.54.2.6 Access to Protected Health Information. Business Associate shall, to the extent Covered Entity determines that any Protected Health



Information constitutes a “designated record set” as defined by 45 C.F.R. § 164.501, make the Protected Health Information specified by Covered Entity available to the Individual(s) identified by Covered Entity as being entitled to access and copy that Protected Health Information. Business Associate shall provide such access for inspection of that Protected Health Information within two (2) business days after receipt of request from Covered Entity. Business Associate shall provide copies of that Protected Health Information within five (5) business days after receipt of request from Covered Entity.

8.54.2.7 Amendment of Protected Health Information. Business Associate shall, to the extent Covered Entity determines that any Protected Health Information constitutes a “designated record set” as defined by 45 C.F.R. § 164.501, make any amendments to Protected Health Information that are requested by Covered Entity. Business Associate shall make such amendment within ten (10) business days after receipt of request from Covered Entity in order for Covered Entity to meet the requirements under 45 C.F.R. § 164.526.

8.54.2.8 Accounting of Disclosures. Upon Covered Entity’s request, Business Associate shall provide to Covered Entity an accounting of each Disclosure of Protected Health Information made by Business Associate or its employees, agents, representatives or subcontractors.

*[Optional, to be used when all Uses and Disclosures permitted in order to perform the Services will be for the Covered Entity’s payment or health care operations activities: However, Business Associate is not required to provide an accounting of Disclosures that are necessary to perform the Services because such Disclosures are for either payment or health care operations purposes, or both.]*

Any accounting provided by Business Associate under this Section 2.8 shall include: (a) the date of the Disclosure; (b) the name, and address if known, of the entity or person who received the Protected Health Information; (c) a brief description of the Protected Health Information disclosed; and (d) a brief statement of the purpose of the Disclosure. For each Disclosure that could require an accounting under this Section 2.8, Business Associate shall document the information specified in (a) through (d), above, and shall securely maintain the information for six (6) years from the date of the Disclosure. Business Associate shall provide to Covered Entity, within ten (10) business days after receipt of request from Covered Entity, information collected in accordance with this Section 2.8 to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

### **8.54.3 OBLIGATION OF COVERED ENTITY**

8.54.3.1 Obligation of Covered Entity. Covered Entity shall notify Business Associate of any current or future restrictions or limitations on the use of Protected Health Information that would affect Business Associate’s performance of the Services, and Business Associate shall thereafter restrict or limit its own uses and disclosures accordingly.

### **8.55.1 TERM AND TERMINATION**

8.55.1.1 Term. The term of this Paragraph \_\_\_\_ shall be the same as the term of this Agreement. Business Associate’s obligations under Sections 2.1

(as modified by Section 4.2), 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 4.3 and 5.2 shall survive the termination or expiration of this Agreement.

8.55.1.2 Termination for Cause. In addition to and notwithstanding the termination provisions set forth in this Agreement, upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:

- (a) Provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;
- (b) Immediately terminate this Agreement if Business Associate has breached a material term of this Agreement and cure is not possible; or
- (c) If neither termination nor cure are feasible, Covered Entity shall report the violation to the Secretary of the federal Department of Health and Human Services.

8.55.1.3 Disposition of Protected Health Information Upon Termination or Expiration

- (a) Except as provided in paragraph (b) of this section, upon termination for any reason or expiration of this Agreement, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.
- (b) In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make infeasible. If return or destruction is infeasible, Business Associate shall extend the protections of this Agreement to such Protected Health Information and limit further Uses and Disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

## **8.55.2 MISCELLANEOUS**

8.55.2.1 No Third Party Beneficiaries. Nothing in this Paragraph \_\_\_\_ shall confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.

8.55.2.2 Use of Subcontractors and Agents. Business Associate shall require each of its agents and subcontractors that receive Protected Health Information from Business Associate, or create Protected Health Information for Business Associate, on behalf of Covered Entity, to execute a written agreement obligating the agent or subcontractor to comply with all the terms of this Paragraph \_\_\_\_.

- 8.55.2.3 Relationship to Services Agreement Provisions. In the event that a provision of this Paragraph \_\_\_\_ is contrary to another provision of this Agreement, the provision of this Paragraph \_\_\_\_ shall control. Otherwise, this Paragraph \_\_\_\_ shall be construed under, and in accordance with, the terms of this Agreement.
- 8.55.2.4 Regulatory References. A reference in this Paragraph \_\_\_\_ to a section in the Privacy Regulations means the section as in effect or as amended.
- 8.55.2.5 Interpretation. Any ambiguity in this Paragraph \_\_\_\_ shall be resolved in favor of a meaning that permits Covered Entity to comply with the Privacy Regulations.
- 8.55.2.6 Amendment. The parties agree to take such action as is necessary to amend this Paragraph \_\_\_\_ from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy Regulations.

**DEPARTMENT OF HEALTH SERVICES (Cont'd):**

**The following language is in addition to the language in the Sample County Contract.**

***Note: For all Department of Health Services contracts that require Health Insurance Portability and Accountability Act language, use either the following language in 8.54, or the language in 8.55 above, or 8.56 below.***

**8.56 COMPLIANCE WITH HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 PROVIDER OF DIRECT PATIENT CARE**

8.56.1 The parties acknowledge the existence of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations ("HIPAA"). Contractor understands and agrees that, as a provider of medical treatment services, it is a "covered entity" under HIPAA and, as such, has obligations with respect to the confidentiality, privacy and security of patients' medical information, and must take certain steps to preserve the confidentiality of this information, both internally and externally, including the training of its staff and the establishment of proper procedures for the release of such information, and the use of appropriate consents and authorizations specified under HIPAA.

8.56.1.1 The parties acknowledge their separate and independent obligations with respect to HIPAA, and that such obligations relate to transactions and code sets, privacy, and security. Contractor understands and agrees that it is separately and independently responsible for compliance with HIPAA in all these areas and that County has not undertaken any responsibility for compliance on Contractor's behalf. Contractor has not relied, and will not in any way rely, on County for legal advice or other representations with respect to Contractor's obligations under HIPAA, but will independently seek its own counsel and take the necessary measures to comply with the law and its implementing regulations.

8.56.1.2 "CONTRACTOR AND COUNTY UNDERSTAND AND AGREE THAT EACH IS INDEPENDENTLY RESPONSIBLE FOR HIPAA COMPLIANCE AND AGREE TO TAKE ALL NECESSARY AND REASONABLE ACTIONS TO COMPLY WITH THE REQUIREMENTS OF THE HIPAA LAW AND IMPLEMENTING REGULATIONS RELATED TO TRANSACTIONS AND CODE SET, PRIVACY, AND

SECURITY. EACH PARTY FURTHER AGREES TO INDEMNIFY AND HOLD HARMLESS THE OTHER PARTY (INCLUDING THEIR OFFICERS, EMPLOYEES, AND AGENTS), FOR ITS FAILURE TO COMPLY WITH HIPAA.

**8.57 HEALTH INSURANCE AND PORTABILITY ACT OF 1996 (HIPAA), INADVERTENT ACCESS**

- 8.57.1 Contractor expressly acknowledges and agrees that the provision of services under this Agreement does not require or permit access by Contractor or any of its employees to any patient medical records. Accordingly, Contractor shall instruct its employees that they are not to pursue or gain access to patient medical records for any reason whatsoever.
- 8.57.2 Notwithstanding the foregoing, the parties acknowledges that, in the course of the provision of services hereunder, Contractor or its employees may have inadvertent access to patient medical records. Contractor understands and agrees that neither it nor its employees are to take advantage of such access for any purpose whatsoever. Additionally, in the event of such inadvertent access, Contractor and its employees shall maintain the confidentiality of any information obtained and shall notify hospital supervisory personnel that such access has been gained immediately or upon the first reasonable opportunity to do so.
- 8.57.3 In the event of any access, whether inadvertent or intentional, Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, actions, fees, costs, and expenses (including attorney and expert witness fees) arising from or connected with Contractor's or its employees' access to patient medical records. Contractor agrees to provide appropriate training to its employees regarding their obligations in this regard.

**DEPARTMENT OF MENTAL HEALTH:**

**The following language is in addition to the language in the Sample County Contract.**

**8.54 PRIOR AGREEMENT(S) SUPERSEDED**

- A. Reference is made to the certain document(s) entitled:

<u>TITLE</u>	<u>COUNTY AGREEMENT NUMBER</u>	<u>DATE OF EXECUTION</u>
<u>MHS Agreement – Legal Entity</u>	<u>DMH-XXXXXX</u>	<u>                    </u>

The parties agree that the provisions of such prior Agreement(s), and all Amendments thereto, shall be entirely superseded as of \_\_\_\_\_, by the provisions of this Agreement.

- B. The parties further agree that all payments made by County to Contractor under any such prior Agreement(s) for services rendered thereunder on and after \_\_\_\_\_, shall be applied to and considered against all applicable Federal, State, and/or County funds provided hereunder.
- C. Notwithstanding any other provision of this Agreement or the Agreement(s) described in Subparagraph A, the total reimbursement by County to Contractor under all these Agreements for:

Fiscal Year \_\_\_\_\_ shall not exceed \_\_\_\_\_ DOLLARS (\$\_\_\_\_); and for  
Fiscal Year \_\_\_\_\_ shall not exceed \_\_\_\_\_ DOLLARS (\$\_\_\_\_); and for  
Fiscal Year \_\_\_\_\_ shall not exceed \_\_\_\_\_ DOLLARS (\$\_\_\_\_).

#### **8.55 STAFFING**

Contractor shall operate throughout the term of this Agreement with staff, including, but not limited to, professional staff, that approximates the type and number as indicated in Contractor's Negotiation Package for this Agreement, as approved in writing by Director, including any addenda thereto as approved in writing by Director, and as required by WIC and CCR. Such staff shall be qualified and shall possess all appropriate licenses in accordance with WIC Section 5603 and all other applicable requirements of the California Business and Professions Code, WIC, CCR, CR/DC Manual, RO/TCM Manual, SDMH Policy Letters, and function within the scope of practice as dictated by licensing boards/bodies. (1) If vacancies occur in any of Contractor's staff that would reduce Contractor's ability to perform any services under the Agreement, Contractor shall promptly notify Director of such vacancies. (2) During the term of this Agreement, Contractor shall have available and shall provide upon request to authorized representatives of County, a list of all persons by name, title, professional degree, and experience, who are providing any services under this Agreement.

#### **8.56 STAFF TRAINING AND SUPERVISION**

Contractor shall institute and maintain an in-service training program of treatment review and case conferences in which all its professional, para-professional, intern, student and clinical volunteer personnel shall participate. Contractor shall institute and maintain appropriate supervision of all persons providing services under this Agreement with particular emphasis on the supervision of para-professionals, interns, students, and clinical volunteers in accordance with Departmental clinical supervision policy. Contractor shall be responsible for the training of all appropriate staff on CR/DC Manual, RO/TCM Manual, and other State and County policies and procedures as well as on any other matters that County may reasonably require.

#### **8.57 PROGRAM SUPERVISION, MONITORING AND REVIEW**

- B. Pursuant to WIC Section 5608 and CCR Title 9, Section 521, all services hereunder shall be provided by Contractor under the general supervision of Director. Director shall have the right to monitor and specify the kind, quality, appropriateness, timeliness, amount of services, and the criteria for determining the persons to be served. Upon receipt of a DMH Contract Monitoring Report, Contractor shall respond in writing to the particular DMH Contract Monitor within the time specified in the Report either acknowledging the reported deficiencies or presenting contrary evidence, and, in addition, submitting a plan for immediate correction of all deficiencies. In the event of a State audit of this Agreement, if State auditors disagree with County's written instructions to Contractor in its performance of this Agreement, and if such disagreement results in a State disallowance of any of Contractor's costs hereunder, then County shall be liable for Contractor's disallowed costs as determined by State.
- C. To assure compliance with this Agreement and for any other reasonable purpose relating to performance of this Agreement, and subject to the provisions of state and federal law, authorized County, State, and/or Federal representatives and designees shall have the right to enter Contractor's premises (including all other places where duties under this Agreement are being performed), with or without notice, to: inspect, monitor and/or audit Contractor's facilities, programs and procedures, or to otherwise evaluate the work performed or being performed; review and copy any records and supporting documentation pertaining to the performance of this Agreement; and elicit information regarding the performance of this Agreement or any related work. The representatives and designees of such

agencies may examine, audit and copy such records at the site at which they are located. Contractor shall provide access to facilities and shall cooperate and assist County, State, and/or Federal representatives and designees in the performance of their duties. Unless otherwise agreed upon in writing, Contractor must provide specified data upon request by County, State, and/or Federal representatives and designees within ten (10) state working days for monitoring purposes.

#### **8.58 PATIENTS'/CLIENTS' RIGHTS**

Contractor shall comply with all applicable patients'/clients' rights provisions, including, but not limited to, WIC Section 5325 et seq., CCR Title 9, Section 850 et seq., and CCR Title 22. Further, Contractor shall comply with all patients'/clients' rights policies provided by County. County Patients' Rights Advocates shall be given access by Contractor to all patients'/clients, patients'/clients' records, and Contractor's personnel in order to monitor Contractor's compliance with all applicable statutes, regulations, manuals and policies.

#### **8.59 REPORTING OF PATIENT/CLIENT ABUSE AND RELATED PERSONNEL REQUIREMENTS**

- a. **Elders and Dependent Adults Abuse:** Contractor, and all persons employed or subcontracted by Contractor, shall comply with WIC Section 15630 et seq. and shall report all known or suspected instances of physical abuse of elders and dependent adults under the care of Contractor either to an appropriate County adult protective services agency or to a local law enforcement agency, as mandated by WIC Sections 15630, 15631 and 15632. Contractor, and all persons employed or subcontracted by Contractor, shall make the report on such abuse, and shall submit all required information, in accordance with WIC Sections 15630, 15633 and 15633.5.
- b. **Minor Children Abuse:** Contractor, and all persons employed or subcontracted by Contractor, shall comply with California Penal Code (hereafter "PC") Section 11164 et seq. and shall report all known or suspected instances of child abuse to an appropriate child protective agency, as mandated by California Penal Code 11164, 11165.8 and 11166. Contractor, and all persons employed or subcontracted by Contractor, shall make the report on such abuse, and shall submit all required information, in accordance with PC Sections 11166 and 11167.
- c. **Contractor Staff:**
  - (1) Contractor shall assure that any person who enters into employment as a care custodian of elders, dependent adults or minor children, or who enters into employment as a health or other practitioner, prior to commencing employment, and as a prerequisite to that employment, shall sign a statement on a form provided by Contractor in accordance with the above code sections to the effect that such person has knowledge of, and will comply with, these code sections.
  - (2) Contractor shall assure that clerical and other nontreatment staff who are not legally required to directly report suspected cases of abuse, consult with mandated reporters upon suspecting any abuse.
  - (3) For the safety and welfare of elders, dependent adults, and minor children, Contractor shall, to the maximum extent permitted by law, ascertain arrest and conviction records for all current and prospective employees and shall not employ or continue to employ any person convicted of any crime involving any harm to elders, dependent adults, or minor children.



- (4) Contractor shall not employ or continue to employ, or shall take other appropriate action to fully protect all persons receiving services under this Agreement concerning, any person whom Contractor knows, or reasonably suspects, has committed any acts which are inimical to the health, morals, welfare, or safety of elders, dependent adults or minor children, or which otherwise make it inappropriate for such person to be employed by Contractor.

**DEPARTMENT OF PUBLIC SOCIAL SERVICES:**

**The following language is in addition to the language in the Sample County Contract, 8.54 And .55.**

**8.54 CHILD ABUSE/ELDER ABUSE/FRAUD REPORTING**

- 8.54.1 Contractor staff working on this Contract shall comply with *California Penal Code* (hereinafter "PC") *Section 11164 et seq.* and shall report all known and suspected instances of child abuse to an appropriate child protective agency, as mandated by these code sections. Contractor staff working on this Contract shall make the report on such abuse, and shall submit all required information, in accordance with the PC Code Sections 11166 and 11167.
- 8.54.2 Contractor staff working on this contract shall comply with *California Welfare and Institutions Code (WIC), Section 15600 et seq.* and shall report all known or suspected instances of physical abuse of elders and dependent adults either to an appropriate County adult protective services agency, or to a local law enforcement agency, as mandated in by these code sections. Contractor staff working on this Contract shall make the report on such abuse, and shall submit all required information, in accordance with WIC Sections 15630, 15633 and 15633.5.
- 8.54.3 Contractor staff working on this Contract shall also immediately report all suspected or actual welfare fraud situations to County.

**8.55 FISCAL ACCOUNTABILITY**

Contractor shall be required to adhere to strict fiscal and accounting standards and must apply the cost principles established in [cite the federal cost principle(s) appropriate to the Contractor's corporate/educational/governmental status. For this Contract, Contractor shall adhere to \_\_\_\_\_ - [Select from the following: *Cost Principles of the Office of Management and Budget (OMB) Circular A-21 for Educational Institutions, OMB Circular A-87 for State, Local, and Indian Tribe Governments, OMB Circular A-122 for Non-Profit Organizations, OMB Circular A-102 for Grants and Cooperative Agreements with State and Local Government Agencies, OMB Circular A-133 for Audits of States, Local Governments and Non-Profit Organizations, and OMB Circular A-110 for Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations. For-Profit Organizations shall apply the cost principles established in 48 CFR, Part 31, Subpart 31.2.]*

IN WITNESS WHEREOF, Contractor has executed this Contract, or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors has caused this Contract to be executed on its behalf by the Chair of said Board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, the day and year first above written.

CONTRACTOR: ( \_\_\_\_\_ Name \_\_\_\_\_ )

By \_\_\_\_\_  
Name

\_\_\_\_\_  
Title

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
(Mayor/Chairman), Board of Supervisors

ATTEST:

VIOLET VARONA-LUKENS  
Executive Officer-Clerk  
of the Board of Supervisors

By \_\_\_\_\_

APPROVED AS TO FORM:

Lloyd W. Pellman  
County Counsel

By \_\_\_\_\_  
Principal Deputy County Counsel

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES:**

**The following language is in addition to the language in the Sample County Contract, Signature Pages.**

**COUNTY OF LOS ANGELES  
DEPARTMENT OF CHILDREN AND FAMILY SERVICES**

**\*\*\* (INSERT NAME OF AGREEMENT) \*\*\***

IN WITNESS WHEREOF, the Board of Supervisors of the COUNTY of Los Angeles has caused this Agreement to be subscribed by its Chair and the seal of such Board to be hereto affixed and attested by the Executive Office thereof, and CONTRACTOR has caused this Agreement to be subscribed in its behalf by its duly authorized officer as of the day, month and year first above written. The person signing on behalf of the CONTRACTOR warrants under penalty of perjury that he or she is authorized to bind the CONTRACTOR.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Chair, Board of Supervisors

ATTEST:

VIOLET VARONA-LUKENS  
Executive Officer-Clerk of the  
Los Angeles County  
Board of Supervisors

By \_\_\_\_\_

\_\_\_\_\_  
CONTRACTOR

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

\_\_\_\_\_  
Tax Identification Number

APPROVED AS TO FORM:

BY THE OFFICE OF COUNTY COUNSEL  
LLOYD W. PELLMAN, County Counsel

BY \_\_\_\_\_  
County Counsel

**COUNTY OF LOS ANGELES**  
**DEPARTMENT OF CHILDREN AND FAMILY SERVICES**

**\*\*\*(INSERT NAME OF AGREEMENT)\*\*\***

IN WITNESS WHEREOF, the Board of Supervisors of the COUNTY of Los Angeles has caused this Agreement to be subscribed on its behalf by the Director of the Department of Children and Family Services and the CONTRACTOR has subscribed the same through its authorized officer, as of the day, month and year first above written. The persons signing on behalf of the CONTRACTOR warrant under penalty of perjury that he or she is authorized to bind the CONTRACTOR.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
David B. Sanders, Director  
Department of Children and Family Services

\_\_\_\_\_  
CONTRACTOR

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

\_\_\_\_\_  
Tax Identification Number

APPROVED AS TO FORM:

BY THE OFFICE OF COUNTY COUNSEL  
LLOYD W. PELLMAN, County Counsel

BY \_\_\_\_\_  
County Counsel

**COUNTY OF LOS ANGELES  
DEPARTMENT OF CHILDREN AND FAMILY SERVICES**

**\*\*\* (INSERT NAME OF AGREEMENT) \*\*\***

IN WITNESS WHEREOF, the Board of Supervisors of the COUNTY of Los Angeles has caused this Agreement to be subscribed by its Chair and the seal of such Board to be hereto affixed and attested by the Executive Office thereof, and CONTRACTOR has caused this Agreement to be subscribed in its behalf by its duly authorized officer as of the day, month and year first above written. The persons signing on behalf of the CONTRACTOR warrant under penalty of perjury that he or she is authorized to bind the CONTRACTOR.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Chair, Board of Supervisors

ATTEST:

VIOLET VARONA-LUKENS  
Executive Officer-Clerk of the  
Los Angeles County  
Board of Supervisors

By \_\_\_\_\_

\_\_\_\_\_  
CONTRACTOR

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

\_\_\_\_\_  
Tax Identification Number

APPROVED AS TO FORM:

BY THE OFFICE OF COUNTY COUNSEL  
LLOYD W. PELLMAN, County Counsel

BY \_\_\_\_\_  
County Counsel

**COUNTY OF LOS ANGELES  
DEPARTMENT OF CHILDREN AND FAMILY SERVICES**

**\*\*\* (INSERT NAME OF AGREEMENT) \*\*\***

IN WITNESS WHEREOF, the Board of Supervisors of the COUNTY of Los Angeles has caused this Agreement to be subscribed on its behalf by the Director of the Department of Children and Family Services and the CONTRACTOR has subscribed the same through its authorized officers, as of the day, month and year first above written \_\_\_\_\_. The persons signing on behalf of the CONTRACTOR warrant under penalty of perjury that they are authorized to bind the CONTRACTOR.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
David B. Sanders, Director  
Department of Children and Family Services

\_\_\_\_\_  
CONTRACTOR

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

\_\_\_\_\_  
Tax Identification Number

APPROVED AS TO FORM:

BY THE OFFICE OF COUNTY COUNSEL  
LLOYD W. PELLMAN, County Counsel

By \_\_\_\_\_  
Deputy County Counsel